
Changes to legislation: There are currently no known outstanding effects for the Finance (No. 3) Act 2010, Section 33. (See end of Document for details)

SCHEDULES

SCHEDULE 5

FINANCING COSTS AND INCOME OF GROUP COMPANIES

Amendments of Chapter 10 (other interpretative provisions)

33 After section 353 (other expressions) insert—

“353A Effect of Part on parties to capital market arrangements

- (1) This section applies in relation to cases in which a company (“company A”)
 - (a) is a party to a capital market arrangement at any time during a period of account of the worldwide group, and
 - (b) is subject to a liability to corporation tax for a relevant accounting period as a result of the operation of this Part.
- (2) The Commissioners may by regulations make provision under which company A and a company that is a relevant group company at any time in the same period of account (“company B”) may jointly elect that company B is to take sole responsibility for discharging the liability.
- (3) Where an election has effect, the liability is treated for all purposes as if it were a liability of company B and not of company A.
- (4) The regulations may include provision about—
 - (a) when an election may be made (which may, in particular, be before the accounting period for which the liability arises);
 - (b) circumstances in which HMRC may or must—
 - (i) accept or reject an election, or
 - (ii) terminate the effect of an election that has already been accepted;
 - (c) the effect of termination by virtue of paragraph (b)(ii);
 - (d) the transfer from company A to company B of liabilities to penalties.
- (5) The provision that may be made by virtue of subsection (4)(b)(i) or (ii) includes provision conferring a discretion on HMRC.
- (6) In this section “capital market arrangement” has the same meaning as in section 72B(1) of the Insolvency Act 1986 (see paragraph 1 of Schedule 2A to that Act).

353B Regulations and orders

Regulations or orders under this Part may—

- (a) make different provision for different cases or circumstances,

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- (b) include supplementary, incidental and consequential provision, or
- (c) make transitional provision and savings.”

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