



Corporation Tax Act 2010

2010 CHAPTER 4

PART 12

REAL ESTATE INVESTMENT TRUSTS

CHAPTER 10

JOINT VENTURES

Effect and duration of notice

588 Effect of notice under section 586

- (1) If a notice is given under section 586(1), this Part applies in relation to the property rental business carried on by the joint venture company as if the company were a member of the venturing group.
- (2) If a notice is given under section 586(2), this Part applies in relation to the property rental business carried on by the joint venture company as if the venturing company and the joint venture company were the members of a new group UK REIT (a “deemed UK REIT”).
- (3) For the purposes of subsections (1) and (2) references in this Part to a company which is a member of a group UK REIT include references to—
 - (a) the joint venture company, and
 - (b) in a case within subsection (2), the venturing company.
- (4) For the purposes of subsection (3)—
 - (a) references in this Part to a UK company which is a member of a group UK REIT include references to a joint venture company which—
 - (i) is UK resident, and
 - (ii) is not resident in another place in accordance with the law of that place relating to taxation, and

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- (b) references in this Part to a non-UK company which is a member of a group UK REIT include references to a joint venture company which is not within paragraph (a).
- (5) For the purposes of subsections (1) and (2) any reference in this Part to—
- (a) entry, or
 - (b) a company becoming a member of a group UK REIT,
- is to be read in relation to the joint venture company as a reference to the date specified under section 586(6)(c).
- (6) For the purposes of subsection (2)—
- (a) references in this Part to a UK REIT (or group UK REIT) include references to the deemed UK REIT, and
 - (b) references in this Part to the principal company of a group are to be read as references to the venturing company.
- [^{F1}(7) Subsections (3) to (6) apply (in particular) for the purpose of interpreting section 549A(6)(a)(i) and (8)(a)(i).]

Textual Amendments

F1 S. 588(7) inserted (17.7.2013) by [Finance Act 2013 \(c. 29\)](#), [Sch. 19 para. 9](#)

589 Effect of notice under section 587

- (1) If a notice is given under section 587(1), this Part applies in relation to the property rental business carried on by the member or members of the joint venture group as if each member of the group were a member of the venturing group.
- (2) If a notice is given under section 587(2), this Part applies in relation to the property rental business carried on by the member or members of the joint venture group as if the venturing company and each member of the group were the members of a new group UK REIT (a “deemed UK REIT”).
- (3) For the purposes of subsections (1) and (2) references in this Part to a company which is a member of a group UK REIT include references to—
 - (a) each member of the joint venture group, and
 - (b) in a case within subsection (2), the venturing company.
- (4) For the purposes of subsection (3)—
 - (a) references in this Part to a UK company which is a member of a group UK REIT include references to a member of the joint venture group if the member is—
 - (i) UK resident, and
 - (ii) not resident in another place in accordance with the law of that place relating to taxation, and
 - (b) references in this Part to a non-UK company which is a member of a group UK REIT include references to any member of the joint venture group not within paragraph (a).
- (5) For the purposes of subsections (1) and (2) any reference in this Part to—
 - (a) entry, or

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- (b) a company becoming a member of a group UK REIT,
is to be read in relation to a member of a joint venture group as a reference to the date specified under section 587(6)(c).
- (6) For the purposes of subsection (2)—
- (a) references in this Part to a UK REIT (or group UK REIT) include references to the deemed UK REIT, and
 - (b) references in this Part to the principal company of a group are to be read as references to the venturing company.
- [^{F2}(7) Subsections (3) to (6) apply (in particular) for the purpose of interpreting section 549A(6)(a)(i) and (8)(a)(i).]

Textual Amendments

F2 S. 589(7) inserted (17.7.2013) by [Finance Act 2013 \(c. 29\)](#), [Sch. 19 para. 10](#)

590 Duration of notice under section 586 or 587

- (1) A notice given under section 586(1) ceases to have effect if—
- (a) the venturing group ceases to meet either of the 40% tests in relation to the joint venture company, or
 - (b) the venturing group ceases to be a UK REIT.
- (2) A notice given under section 586(2) ceases to have effect if—
- (a) the venturing company ceases to meet either of the 40% tests in relation to the joint venture company, or
 - (b) the venturing company ceases to be a UK REIT.
- (3) A notice given under section 587(1) ceases to have effect if—
- (a) the venturing group ceases to meet the 40% tests in relation to the joint venture group, or
 - (b) the venturing group ceases to be a UK REIT.
- (4) A notice given under section 587(2) ceases to have effect if—
- (a) the venturing company ceases to meet the 40% tests in relation to the joint venture group, or
 - (b) the venturing company ceases to be a UK REIT.
- (5) If a notice under section 586 or 587 ceases to have effect, this Part ceases to apply as mentioned in section 588 or 589 (as the case may be) in relation to the joint venture company or joint venture group.
- (6) But section 581 (early exit) continues to apply to a joint venture company or to the members of a joint venture group despite subsection (5).
- (7) For the meaning of “the 40% tests” see—
- (a) section 586, in the case of a notice given under that section, and
 - (b) section 587, in the case of a notice given under that section.

Changes to legislation:

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