



Corporation Tax Act 2010

2010 CHAPTER 4

PART 24

CORPORATION TAX ACTS DEFINITIONS ETC

CHAPTER 4

INVESTMENT TRUSTS

[^{F1}1158 Meaning of “investment trust”

- (1) For the purposes of the Corporation Tax Acts a company is an “investment trust” with respect to an accounting period if—
 - (a) conditions A to C are met throughout the period, and
 - (b) the company is approved for the period by the Commissioners for Her Majesty's Revenue and Customs (see section 1159).
- (2) Condition A is that [^{F2}all, or substantially all, of the business of the company is] investing its funds in shares, land or other assets with the aim of spreading investment risk and giving members of the company the benefit of the results of the management of its funds.
- (3) Condition B is that the shares making up the company's ordinary share capital (or, if there are such shares of more than one class, those of each class) are admitted to trading on a regulated market.
- [^{F3}(4) For this purpose “regulated market” means—
 - (a) a UK regulated market within the meaning given by Article 2.1(13A) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments,
 - (b) an EU regulated market within the meaning given by Article 2.1(13B) of that Regulation, and

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- [^{F4}(c) a Gibraltar regulated market within the meaning given by Article 26(11)(b) (i) of that Regulation.]]
- (5) Condition C is that the company is not—
- (a) a venture capital trust (within the meaning of Part 6 of ITA 2007), or
 - (b) a company UK REIT (within the meaning of Part 12 of this Act).
- (6) The Treasury may by regulations provide—
- (a) for one or both of conditions A and B to be treated as met in the cases, and subject to any conditions, specified in the regulations, and
 - (b) for the period for which the condition or conditions are treated as met.
- (7) The Treasury may also by regulations amend subsection (3) or (4).
- (8) A statutory instrument containing the first regulations under subsection (6) may not be made unless a draft of the instrument has been laid before and approved by a resolution of the House of Commons.
- (9) Any other statutory instrument containing regulations under this section is subject to annulment in pursuance of a resolution of the House of Commons.]

Textual Amendments

- F1** S. 1158 substituted (with effect in accordance with s. 49(6) of the amending Act) by [Finance Act 2011 \(c. 11\), s. 49\(2\)](#); S.I. 2011/2977, art. 2
- F2** Words in s. 1158(2) substituted (with effect in accordance with s. 45(2) of the amending Act) by [Finance Act 2013 \(c. 29\), s. 45\(1\)](#)
- F3** S. 1158(4) substituted (31.12.2020) by [The Taxes \(Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/689\), regs. 1, 17\(13\)](#) (with [regs. 39-41](#)); 2020 c. 1, Sch. 5 para. 1(1)
- F4** S. 1158(4)(c) substituted (31.12.2020) by [The Taxes \(Amendments\) \(EU Exit\) \(No. 2\) Regulations 2019 \(S.I. 2019/818\), regs. 1\(3\), 8\(7\)](#); 2020 c. 1, Sch. 5 para. 1(1)

[^{F5}1159 Approval

- (1) The Treasury may by regulations make provision about the approval of a company for an accounting period for the purposes of section 1158(1)(b), including provision about—
- (a) applications for approval,
 - (b) the determination of applications for approval,
 - (c) requirements to be met by the company while approved,
 - (d) the withdrawal of approval by notice, or
 - (e) the consequences of the withdrawal of approval.
- (2) The regulations may, in particular—
- (a) include provision under which an application for approval—
 - (i) is to be made by reference to the accounting period in which the application is made or such earlier or later accounting period as may be specified in the application, and
 - (ii) is to constitute an application for approval for that and all subsequent accounting periods,
 - (b) specify the form and content of, and information to accompany, an application,

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- (c) permit or require the Commissioners to grant or refuse an application where conditions specified in the regulations are met (or appear to the Commissioners to be met) in relation to the company,
 - (d) permit or require the Commissioners to withdraw approval where—
 - (i) conditions specified in the regulations are met (or appear to the Commissioners to be met) in relation to the company, or
 - (ii) the company has failed to comply with requirements imposed by the regulations,
 - (e) include provision prohibiting a company from which approval has been withdrawn from reapplying, or
 - (f) include provision under which approval may or must be withdrawn in relation to an accounting period that ends before the notice withdrawing approval is given.
- (3) Regulations under this section—
- (a) may make different provision for different cases or purposes, and
 - (b) may make incidental, consequential, supplementary or transitional provision.
- (4) A statutory instrument containing the first regulations under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of the House of Commons.
- (5) Any other statutory instrument containing regulations under this section is subject to annulment in pursuance of a resolution of the House of Commons.
- (6) In this section “ the Commissioners ” means the Commissioners for Her Majesty’s Revenue and Customs.]

Textual Amendments

F5 S. 1159 substituted (with effect in accordance with s. 49(6) of the amending Act) by [Finance Act 2011 \(c. 11\), s. 49\(3\)](#); S.I. 2011/2977, art. 2

F6 1160 Calculation of income

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Textual Amendments

F6 Ss. 1160-1165 omitted (with effect in accordance with s. 49(6) of the amending Act) by virtue of [Finance Act 2011 \(c. 11\), s. 49\(4\)](#); S.I. 2011/2977, art. 2

F6 1161 The income retention condition: exceptions

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Textual Amendments

F6 Ss. 1160-1165 omitted (with effect in accordance with s. 49(6) of the amending Act) by virtue of [Finance Act 2011 \(c. 11\), s. 49\(4\)](#); S.I. 2011/2977, art. 2

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F6 1162 The 15% holding limit: exceptions

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Textual Amendments
F6 Ss. 1160-1165 omitted (with effect in accordance with s. 49(6) of the amending Act) by virtue of Finance Act 2011 (c. 11), s. 49(4); S.I. 2011/2977, art. 2

F6 1163 Basic meaning of “holding in a company”

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Textual Amendments
F6 Ss. 1160-1165 omitted (with effect in accordance with s. 49(6) of the amending Act) by virtue of Finance Act 2011 (c. 11), s. 49(4); S.I. 2011/2977, art. 2

F6 1164 More about the meaning of “holding in a company”

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Textual Amendments
F6 Ss. 1160-1165 omitted (with effect in accordance with s. 49(6) of the amending Act) by virtue of Finance Act 2011 (c. 11), s. 49(4); S.I. 2011/2977, art. 2

F6 1165 Other interpretation

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Textual Amendments
F6 Ss. 1160-1165 omitted (with effect in accordance with s. 49(6) of the amending Act) by virtue of Finance Act 2011 (c. 11), s. 49(4); S.I. 2011/2977, art. 2

Changes to legislation:

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 357CHA omitted by [2024 c. 3 Sch. 2 para. 14\(7\)](#)
- s. 658(1)(d)(e) inserted by [2010 c. 13 Sch. 6 para. 31](#) (This amendment not applied to [legislation.gov.uk](#). Sch. 6 para. 31 omitted (retrospective to 6.4.2010) by virtue of Finance Act 2012 (c. 14), s. 52(2) (3))