



Corporation Tax Act 2010

2010 CHAPTER 4

PART 7

COMMUNITY INVESTMENT TAX RELIEF

CHAPTER 4

LIMITATIONS ON CLAIMS AND ATTRIBUTION

Limitations on claims

236 Loans: no claim after disposal or excessive repayments or receipts of value

- (1) If the investment consists of a loan, no claim may be made for an accounting period if—
 - (a) the investor disposes of the whole or any part of the loan before the qualifying date relating to that period,
 - (b) at any time after the investment is made but before that qualifying date, the amount of the capital outstanding on the loan is reduced to nil, or
 - (c) before that qualifying date, paragraphs (a) and (b) of section 245(1) (repayments of loan in 5 year period exceeding permitted limits) apply in relation to the investment (whether by virtue of section 246 (receipts of value treated as repayments) or otherwise).
- (2) For the purposes of subsection (1)(a) any repayment of the loan is to be ignored.
- (3) For the purposes of this section the qualifying date relating to an accounting period is the next anniversary of the investment date to occur after the end of that period.

Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross Heading: Limitations on claims. (See end of Document for details)

237 Securities or shares: no claim after disposal or excessive receipts of value

- (1) If the investment consists of securities or shares, a claim made for an accounting period must relate only to those securities or shares held by the investor, as sole beneficial owner, continuously throughout the period—
 - (a) beginning when the investment is made, and
 - (b) ending immediately before the qualifying date relating to the accounting period.
- (2) No claim may be made for an accounting period if before the qualifying date relating to that period paragraphs (a) to (d) of section 247(1) (receipts of value in the 6 year period exceeding permitted limits) apply in relation to the investment or any part of it.
- (3) For the purposes of this section the qualifying date relating to an accounting period is the next anniversary of the investment date to occur after the end of that period.

238 No claim after loss of accreditation by the CDFI

- (1) If the CDFI ceases to be accredited under Chapter 2 of Part 7 of ITA 2007 with effect from a time within the 5 year period, no claim in respect of the investment may be made—
 - (a) for the relevant accounting period, or
 - (b) for any later accounting period.
- (2) To find the relevant accounting period proceed under the rest of this section, in which references to the time of accreditation ceasing are to the time with effect from which the CDFI ceases to be accredited.
- (3) If the time of accreditation ceasing falls within the first year of the 5 year period, the relevant accounting period is the accounting period in which the investment date fell.
- (4) In any other case the relevant accounting period is—
 - (a) the accounting period in which the last anniversary of the investment date before the time of accreditation ceasing fell, or
 - (b) if the time of accreditation ceasing itself falls on an anniversary of the investment date, the accounting period in which that anniversary falls.

239 Accreditation of investor

- (1) This section applies where the investor becomes accredited under Chapter 2 of Part 7 of ITA 2007 with effect from a time within the 5 year period.
- (2) No claim in respect of the investment may be made—
 - (a) for the relevant accounting period, or
 - (b) for any later accounting period.
- (3) To find the relevant accounting period proceed under the rest of this section, in which references to the time of accreditation are to the time with effect from which the investor becomes accredited.
- (4) If the time of accreditation falls within the first year of the 5 year period, the relevant accounting period is the accounting period in which the investment date fell.
- (5) In any other case the relevant accounting period is—

Changes to legislation: *There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross Heading: Limitations on claims. (See end of Document for details)*

- (a) the accounting period in which the last anniversary of the investment date before the time of accreditation fell, or
- (b) if the time of accreditation itself falls on an anniversary of the investment date, the accounting period in which that anniversary falls.

Changes to legislation:

There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross
Heading: Limitations on claims.