



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### [<sup>F1</sup>PART 8A

PROFITS ARISING FROM THE EXPLOITATION OF PATENTS ETC

### CHAPTER 5

RELEVANT IP LOSSES

#### [<sup>F1</sup>357EIPayments between group members in consequence of section 357EB

- (1) This section applies if—
  - (a) there is a set-off amount in relation to a trade of a company for an accounting period,
  - (b) subsection (2) of section 357EB has effect in relation to a relevant group member for the relevant accounting period (within the meaning of that section),
  - (c) the company and the relevant group member have an agreement between them in relation to the relevant IP losses of the company, and
  - (d) as a result of the agreement the company makes a payment to the relevant group member that does not exceed the reduction in the relevant IP profits of the relevant group member arising under section 357EB(4).
- (2) The payment—
  - (a) is not to be taken into account in determining the profits or losses of either company for corporation tax purposes, and
  - (b) is not for any purposes of the Corporation Tax Acts to be regarded as a distribution.
- (3) In a case where section 357ED applies (company ceasing to carry on trade, etc), the reference in subsection (1)(d) to the reduction in the relevant IP profits of the relevant group member is to be read as a reference to the amount that becomes, or is added to,

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**Changes to legislation:** There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 357EF. (See end of Document for details)

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the set-off amount in relation to a trade of the relevant group member for the relevant accounting period under section 357EB(2).]

**Textual Amendments**

- F1** Pt. 8A inserted (with effect in accordance with [Sch. 2 paras. 7, 8](#) of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 2 para. 1\(1\)](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 357EF.