



Corporation Tax Act 2010

2010 CHAPTER 4

PART 10

CLOSE COMPANIES

CHAPTER 2

BASIC DEFINITIONS

Meaning of other expressions in this Part

454 “Participator”

- (1) For the purposes of this Part, “participator”, in relation to a company, means a person having a share or interest in the capital or income of the company.
- (2) In particular, “participator” includes—
 - (a) a person who possesses, or is entitled to acquire, share capital or voting rights in the company,
 - (b) a loan creditor of the company,
 - (c) a person who possesses a right to receive or participate in distributions of the company or any amounts payable by the company (in cash or in kind) to loan creditors by way of premium on redemption,
 - (d) a person who is entitled to acquire such a right as is mentioned in paragraph (c), and
 - (e) a person who is entitled to secure that income or assets (whether present or future) of the company will be applied directly or indirectly for the person's benefit.
- (3) For the purposes of subsection (2), a person is treated as entitled to do anything which the person—
 - (a) is entitled to do at a future date, or

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- (b) will at a future date be entitled to do.
- (4) In subsection (2) “distribution” is to be construed without regard to section 1000(2) (extended definition of distribution for close companies).
- (5) See also section 519(2) of CTA 2009 (investment bond arrangements to be ignored in the application of subsection (2)(e)).
- (6) This section does not affect any provision of this Part requiring a participator in one company to be treated as being also a participator in another company.

Modifications etc. (not altering text)

- C1** Pt. 10 Ch. 2 applied (with modifications) (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [s. 376\(1\)](#) (as amended by [2010 c. 4](#), s. 1184(1), [Sch. 1 para. 610\(2\)](#) (with [Sch. 2](#)))
- C2** Pt. 10 Ch. 2 applied (with modifications) (with effect in accordance with s. 1184(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [s. 456\(7\)](#) (as substituted by [2010 c. 4](#), s. 1184(1), [Sch. 1 para. 466\(2\)](#) (with [Sch. 2](#)))
- C3** S. 454 applied (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [ss. 341\(5\)](#), [381\(1\)](#) (with [Sch. 9 paras. 1-9, 22, 31](#))
- C4** S. 454 applied by [2010 c. 8](#), s. 474(2) (as inserted (with effect in accordance with [Sch. 5 para. 25\(1\)-\(3\)](#) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 5 para. 1](#) (with [Sch. 5 paras. 27, 32-34](#)))

Changes to legislation:

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