



Corporation Tax Act 2010

2010 CHAPTER 4

PART 14

CHANGE IN COMPANY OWNERSHIP

[^{F1}CHAPTER 5A

SHELL COMPANIES: RESTRICTIONS ON RELIEF

Apportionment of amounts

[^{F1}705F Apportionment of amounts

- (1) This section applies for the purposes of this Chapter.
- (2) Any amount for the actual accounting period in column 1 of the following table is to be apportioned to the two notional accounting periods in accordance with the corresponding method of apportionment in column 2 of the table.

<i>Row</i>	<i>1. Amount to be apportioned</i>	<i>2. Method of apportionment</i>
<i>1</i>	The amount for the actual accounting period of any adjusted non-trading profits from the company's loan relationships (see section 705G(2)).	Apportion the amount in column 1 on a time basis according to the respective lengths of the two notional accounting periods.
<i>2</i>	The amount for the actual accounting period of any adjusted non-trading deficit from the company's loan relationships (see section 705G(3)).	Apportion the amount in column 1 on a time basis according to the respective lengths of the two notional accounting periods.
<i>3</i>	The amount of any non-trading debit that falls to be brought into account for the actual accounting period for the	(1) If condition A in section 705G(4) is met, apportion the amount in

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<p>purposes of Part 5 of CTA 2009 (loan relationships) in respect of any debtor relationship of the company.</p>	<p>column 1 by reference to the time of accrual of the amount to which the debit relates.</p>
<p>4 The amount of any non-trading deficit carried forward to the actual accounting period under section 457(1)^{F2}, 463G or 463H] of CTA 2009 (^{F3} ... carry forward to accounting periods after deficit period).</p>	<p>(2) If condition B in section 705G(5) is met, apportion the amount in column 1 to the first notional accounting period.</p> <p>Apportion the whole of the amount in column 1 to the first notional accounting period.</p>
<p>5 The amount of any non-trading credits or debits in respect of intangible fixed assets that fall to be brought into account for the actual accounting period under section 751 of CTA 2009 (non-trading gains and losses) ^{F4}</p>	<p>Apportion to each notional accounting period the credits or debits that would fall to be brought into account in that period if it were a period of account for which accounts were drawn up in accordance with generally accepted accounting practice.</p>
<p>6 The amount of any non-trading loss on intangible fixed assets carried forward to the actual accounting period under section 753(3) of CTA 2009 ^{F5}</p>	<p>Apportion the whole of the amount in column 1 to the first notional accounting period.</p>
<p>7 Any other amounts by reference to which the profits or losses of the actual accounting period would (but for this Chapter) be calculated.</p>	<p>Apportion the amount in column 1 on a time basis according to the respective lengths of the two notional accounting periods.</p>

(3) If any method of apportionment in column 2 of the table in subsection (2) would work unjustly or unreasonably in any case, such other method is to be used as is just and reasonable.

(4) For the meaning of certain expressions used in this section, see section 705G.]

Textual Amendments

- F1** Pt. 14 Ch. 5A inserted (with effect in accordance with Sch. 13 para. 3 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), **Sch. 13 para. 1(3)**
- F2** Words in s. 705F(2) inserted (with effect in accordance with Sch. 4 para. 190 of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), **Sch. 4 para. 171(a)**
- F3** Words in s. 705F(2) omitted (with effect in accordance with Sch. 4 para. 190 of the amending Act) by virtue of [Finance \(No. 2\) Act 2017 \(c. 32\)](#), **Sch. 4 para. 171(b)**

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- F4** Words in s. 705F(2) omitted (with effect in accordance with Sch. 4 para. 190 of the amending Act) by virtue of Finance (No. 2) Act 2017 (c. 32), **Sch. 4 para. 171(c)**
- F5** Words in s. 705F(2) omitted (with effect in accordance with Sch. 4 para. 190 of the amending Act) by virtue of Finance (No. 2) Act 2017 (c. 32), **Sch. 4 para. 171(d)**

Changes to legislation:

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 705F.