
Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance (No. 2) Act 2017. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

SCHEDULES

SCHEDULE 11

EMPLOYMENT INCOME PROVIDED THROUGH THIRD PARTIES: LOANS ETC OUTSTANDING ON 5 APRIL 2019

PART 3

EXCLUSIONS

Commercial transactions

- 25 Chapter 2 of Part 7A of ITEPA 2003 does not apply by reason of a relevant step within paragraph 1 which is treated as being taken by a person (“P”) if—
- (a) P is treated as taking a relevant step by that paragraph by reason of the payment of a sum of money by way of a loan,
 - (b) the loan is (at the time it is made) a loan on ordinary commercial terms within the meaning of section 176 of ITEPA 2003, ignoring conditions B and C in that section, and
 - (c) there is no connection (direct or indirect) between the relevant step and a tax avoidance arrangement.
- 26 In section 554F of ITEPA 2003 (exclusions: commercial transactions), at the end insert—
- “(6) See paragraph 25 of Schedule 11 to F(No. 2)A 2017 for provision about exclusions where a loan is made on ordinary commercial terms and the relevant step is within paragraph 1 of that Schedule.”

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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):

- Sch. A1 para. 8(6)(b) omitted by [2022 c. 3 Sch. 1 para. 32\(b\)](#)
- Sch. A1 para. 8(2) substituted by [2022 c. 3 Sch. 1 para. 32\(a\)](#)