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STATUTORY INSTRUMENTS

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**2017 No. 364**

The Corporation Tax Act 2010 (Part  
8C) (Amendment) Regulations 2017

PART 2

CHARITABLE COMPANIES, LIFE INSURANCE COMPANIES,  
ANTI-AVOIDANCE AND TREATMENT OF AMOUNTS DEDUCTED

**Transfer of rights**

11. After section 357YN (migration of company with claim to restitution interest) insert—

**“357YNA Transfer of rights: restitution interest arising after a winding up or dissolution**

(1) Subsection (2) applies if an amount of restitution interest which is paid or payable to a person would be treated under section 357YM(4) as arising to a company (“the transferor”) but for the fact that the company no longer exists at the time when the restitution interest arises.

(2) If an officer of Revenue and Customs gives a related company a notice under this subsection in respect of the restitution interest, the restitution interest is treated for corporation tax purposes as restitution interest arising to that company.

(3) Subsection (4) applies if an amount of restitution interest which is paid or payable to a person would apart from this section be treated by virtue of section 357YM(4) as arising to a company which has been wound up (“the transferor”).

(4) If an officer of Revenue and Customs gives a related company a notice under this subsection in respect of the restitution interest, the restitution interest is treated for corporation tax purposes as restitution interest arising not to the transferor but to that company.

(5) A notice under subsection (2) or (4) must specify—

- (a) the amount of the restitution interest, and
- (b) the date on which it is paid or payable.

(6) A notice under subsection (2) or (4) in respect of an amount of restitution interest must be given by the later of—

- (a) the date on which the amount is paid or payable, or
- (b) the time when any notice under section 357YQ(2) in respect of the amount is given to the related company.

### **357YNB Meaning of “related company”**

(1) A company is a “related company” for the purposes of section 357YNA(2) if at any time in the relevant period (see subsection (5)) that company was a member of the same group as the transferor (see section 357YNA(1)).

(2) A company is a “related company” for the purposes of section 357YNA(4) if at any time in the relevant period (see subsection (6)) that company was a member of the same group as the transferor (see section 357YNA(3)).

(3) For the purposes of this section two companies are members of the same group if—

- (a) one is a 51% subsidiary of the other, or
- (b) both are 51% subsidiaries of a third company.

(4) In subsection (1) “the relevant period” means the period which—

- (a) begins—
  - (i) if the transferor was not wound up before it was dissolved, at the beginning of the 12 months ending with the date on which the company is dissolved,
  - (ii) if the transferor was wound up before it was dissolved, at the beginning of the 12 months before the commencement of the winding up, and
- (b) ends when the amount mentioned in section 357YNA(1) is paid or becomes payable (whichever is later).

(5) In subsection (2) the “relevant period” means the period which—

- (a) begins at the beginning of the 12 months before the commencement of the winding up of the transferor, and
- (b) ends when the amount mentioned in section 357YNA(3) is paid or becomes payable (whichever is later).”.