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## SCHEDULES

### [<sup>F1</sup>SCHEDULE 3ZB

#### [<sup>F1</sup>CT EXIT CHARGE PAYMENT PLANS]

##### Textual Amendments

- F1** Sch. 3ZB inserted (with effect in accordance with Sch. 49 para. 8 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 49 para. 6](#)
- F1** Words in Sch. 3ZB substituted (12.2.2019) by [Finance Act 2019 \(c. 1\)](#), [Sch. 7 para. 6\(1\)\(c\)](#)

### PART 1

#### COMPANY CEASING TO BE RESIDENT IN UK

*Circumstances in which [<sup>F2</sup>CT exit charge payment plan] may be entered into*

##### Textual Amendments

- F2** Words in Sch. 3ZB substituted (12.2.2019) by [Finance Act 2019 \(c. 1\)](#), [Sch. 7 para. 6\(1\)\(b\)](#)

- 1 (1) This Part of this Schedule and Part 3 of this Schedule apply where an eligible company—
- (a) ceases to be resident in the United Kingdom,
  - (b) on ceasing to be so resident, becomes resident in [<sup>F3</sup>a relevant]EEA state, and
  - (c) is liable to pay qualifying corporation tax in respect of the migration accounting period.
- (2) The company may defer payment of some or all of the qualifying corporation tax if it enters into [<sup>F4</sup>a CT exit charge payment plan] in respect of it in accordance with this Schedule.
- (3) The company may enter into [<sup>F4</sup>a CT exit charge payment plan] only if conditions A to C are met.
- (4) Condition A is that before the end of the period of 9 months beginning immediately after the migration accounting period—
- (a) an application to enter into the [<sup>F2</sup>CT exit charge payment plan] is made to Her Majesty's Revenue and Customs, and
  - (b) the application contains details of all the matters which are required by Part 3 of this Schedule to be specified in the plan.

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- (5) Condition B is that on ceasing to be resident in the United Kingdom, the company carries on a business in [<sup>F5</sup>a relevant]EEA state.
- (6) Condition C is that, on becoming resident in the [<sup>F6</sup>relevant]EEA state, the company is not treated as resident in a territory outside the European Economic Area for the purposes of any double taxation arrangements.
- (7) In this paragraph—
- “double taxation arrangements” means arrangements which are made by two or more territories with a view to affording relief from double taxation and which have effect at the time when the company ceases to be resident in the United Kingdom;
- “eligible company” means a company that has a right to freedom of establishment protected by Article 49 of the Treaty on the functioning of the European Union or established by Article 31 of the Agreement on the European Economic Area;
- [<sup>F7</sup>“relevant EEA state” means an EEA state that is—
- (a) a member of the European Union, or
- (b) a party to an agreement with the United Kingdom that provides for mutual assistance equivalent to that provided for by Council Directive 2010/24/EU of 16 March 2010 concerning mutual assistance for the recovery of claims relating to taxes.]
- (8) In this Part of this Schedule—
- (a) references to the migration accounting period are to—
- (i) in a case where an accounting period comes to an end on the company ceasing to be resident in the United Kingdom, that accounting period, and
- (ii) in a case not falling within sub-paragraph (i), the accounting period during which the company ceases to be resident in the United Kingdom,
- (b) references to a Part 1 company are to a company in relation to which this Part of this Schedule applies, and
- (c) references to Part 3 of this Schedule are to Part 3 of this Schedule as it applies to a Part 1 company.

#### Textual Amendments

- F3** Words in [Sch. 3ZB para. 1\(1\)\(b\)](#) substituted (with effect in accordance with Sch. 8 para. 8 of the amending Act) by [Finance Act 2019 \(c. 1\)](#), [Sch. 8 para. 2\(a\)](#)
- F4** Words in Sch. 3ZB substituted (12.2.2019) by [Finance Act 2019 \(c. 1\)](#), [Sch. 7 para. 6\(1\)\(a\)](#)
- F5** Words in [Sch. 3ZB para. 1\(5\)](#) substituted (with effect in accordance with Sch. 8 para. 8 of the amending Act) by [Finance Act 2019 \(c. 1\)](#), [Sch. 8 para. 2\(b\)](#)
- F6** Word in [Sch. 3ZB para. 1\(6\)](#) substituted (with effect in accordance with Sch. 8 para. 8 of the amending Act) by [Finance Act 2019 \(c. 1\)](#), [Sch. 8 para. 2\(c\)](#)
- F7** Words in [Sch. 3ZB para. 1\(7\)](#) inserted (with effect in accordance with Sch. 8 para. 8 of the amending Act) by [Finance Act 2019 \(c. 1\)](#), [Sch. 8 para. 2\(d\)](#)

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*Qualifying corporation tax*

- 2 (1) The company is liable to pay qualifying corporation tax in respect of the migration accounting period if CT1 is greater than CT2 where—
- CT1 is the corporation tax which the company is liable to pay for the accounting period, and
  - CT2 is the corporation tax which the company would be liable to pay for the accounting period if any income, profits, gains, losses or debits arising only by virtue of the exit charge provisions were ignored,
- (CT2 will be zero if the company would not be liable to pay any corporation tax for the period).
- (2) The amount of qualifying corporation tax which the company is liable to pay is the difference between CT1 and CT2.
- (3) “Exit charge provisions” means—
- (a) section 185 of the 1992 Act,
  - <sup>F8</sup>(b) .....
  - (c) section 162 of CTA 2009, where that section applies by virtue of section 41(2)(b) of that Act,
  - (d) section 333 of that Act,
  - (e) section 609 of that Act, [<sup>F9</sup>and]
  - (f) section 859 of that Act, where that section applies by virtue of section 859(2)
    - (a), <sup>F10</sup> ...
  - <sup>F10</sup>(g) .....
- (4) References in this Part of this Schedule and Part 3 of this Schedule to qualifying corporation tax are to be read in accordance with this paragraph.

**Textual Amendments**

- F8** Sch. 3ZB para. 2(3)(b) omitted (with effect in accordance with Sch. 8 para. 9(5) of the amending Act) by virtue of Finance Act 2019 (c. 1), **Sch. 8 para. 9(4)(a)**
- F9** Word in Sch. 3ZB para. 2(3)(e) inserted (with effect in accordance with Sch. 8 para. 10(5) of the amending Act) by Finance Act 2019 (c. 1), **Sch. 8 para. 10(4)(a)(i)**
- F10** Sch. 3ZB para. 2(3)(g) and preceding word omitted (with effect in accordance with Sch. 8 para. 10(5) of the amending Act) by virtue of Finance Act 2019 (c. 1), **Sch. 8 para. 10(4)(a)(ii)**

*Interpretation: exit charge assets and liabilities*

- 3 (1) This paragraph applies for the purposes of this Part of this Schedule and Part 3 of this Schedule.
- (2) “Exit charge assets” and “exit charge liabilities” means assets or liabilities (as the case may be) in respect of which income, profits or gains arise in the migration accounting period by virtue of the exit charge provisions, and in particular—
- (a) “TCGA or trading stock exit charge assets” means those exit charge assets, other than pre-FA 2002 intangible fixed assets, in respect of which income, profits or gains arise by virtue of the exit charge provision mentioned in paragraph 2(3)(a) <sup>F11</sup> ... or (c),

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- (b) “financial exit charge assets or liabilities” means those exit charge assets or liabilities in respect of which income, profits or gains arise by virtue of the exit charge provision mentioned in paragraph 2(3)(d) or (e),
  - (c) “intangible exit charge assets” means—
    - (i) those exit charge assets in respect of which income, profits or gains arise by virtue of the exit charge provision mentioned in paragraph 2(3)(f) <sup>F12</sup>... , and
    - (ii) those exit charge assets which are pre-FA 2002 intangible fixed assets in respect of which income, profits or gains arise by virtue of the exit charge provision mentioned in paragraph 2(3)(a) <sup>F13</sup> ... .
- (3) In sub-paragraph (2)—
- (a) “exit charge provisions” has the meaning given in paragraph 2(3);
  - (b) “pre-FA 2002 intangible fixed asset” means an intangible fixed asset which is a pre-FA 2002 asset (as defined in section 881 of CTA 2009).]

#### Textual Amendments

- F11** Word in Sch. 3ZB para. 3(2)(a) omitted (with effect in accordance with Sch. 8 para. 9(5) of the amending Act) by virtue of [Finance Act 2019 \(c. 1\)](#), [Sch. 8 para. 9\(4\)\(b\)\(i\)](#)
- F12** Words in [Sch. 3ZB para. 3\(2\)\(c\)\(i\)](#) omitted (with effect in accordance with Sch. 8 para. 10(5) of the amending Act) by virtue of [Finance Act 2019 \(c. 1\)](#), [Sch. 8 para. 10\(4\)\(b\)](#)
- F13** Words in Sch. 3ZB para. 3(2)(c)(ii) omitted (with effect in accordance with Sch. 8 para. 9(5) of the amending Act) by virtue of [Finance Act 2019 \(c. 1\)](#), [Sch. 8 para. 9\(4\)\(b\)\(ii\)](#)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Blanket Amendment words substituted by [2005 c. 4 Sch. 11 para. 5](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 12ABZAA(5)(a) words substituted by [2017 c. 32, Sch. 14 para. 10BA\(3\)\(a\)](#) (as inserted) by [2020 c. 14 s. 104\(4\)](#)
- s. 12ABZAA(5)(b) words substituted by [2017 c. 32, Sch. 14 para. 10BA\(3\)\(b\)](#) (as inserted) by [2020 c. 14 s. 104\(4\)](#)
- s. 7(1BA) words substituted by [2017 c. 32 Sch. 14 para. 2\(3\)](#)
- s. 8(1AB)-(1AD) inserted by [2017 c. 32 Sch. 14 para. 3\(5\)](#)
- s. 8(1HA) inserted by [2017 c. 32 Sch. 14 para. 3\(11\)](#)
- s. 8A(1)(1ZA) substituted for s. 8A(1) by [2017 c. 32 Sch. 14 para. 4\(3\)](#)
- s. 8A(1AB)-(1AD) inserted by [2017 c. 32 Sch. 14 para. 4\(5\)](#)
- s. 8A(1FA) inserted by [2017 c. 32 Sch. 14 para. 4\(9\)](#)
- s. 8A(6)(7) inserted by [2017 c. 32 Sch. 14 para. 4\(12\)](#)
- s. 12B(1)(1A) substituted for s. 12B(1) by [2017 c. 32 Sch. 14 para. 14\(2\)](#)
- s. 12B(2ZA)(2ZB) inserted by [2017 c. 32 Sch. 14 para. 14\(4\)](#)
- s. 12C and cross-heading inserted by [2017 c. 32 s. 60\(2\)](#)
- s. 12AC(1)(aa) inserted by [2017 c. 32 Sch. 14 para. 13\(2\)\(c\)](#)
- s. 12AC(7)(a) words inserted by [2017 c. 32 Sch. 14 para. 13\(3\)\(b\)](#)
- s. 12AC(7)(a) words renumbered as s. 12AC(7)(a) by [2017 c. 32 Sch. 14 para. 13\(3\)\(a\)](#)
- s. 12AC(7)(b) inserted by [2017 c. 32 Sch. 14 para. 13\(3\)\(c\)](#)
- s. 12ABA(5) inserted by [2017 c. 32 Sch. 14 para. 11\(4\)](#)
- s. 28ZA(6)(c) inserted by [2017 c. 32 Sch. 14 para. 15\(b\)](#)
- s. 29(6)(aa) inserted by [2017 c. 32 Sch. 14 para. 20\(3\)](#)
- s. 29(7)(a)(ia) omitted by [2019 c. 1 Sch. 2 para. 25\(6\)](#)
- s. 46B(5)(f) and word inserted by [2009 c. 4 Sch. 1 para. 303](#)
- s. 49E(5A) inserted by [2021 c. 26 Sch. 27 para. 4](#)
- s. 49EA inserted by [2021 c. 26 Sch. 27 para. 5](#)
- s. 49FA inserted by [2021 c. 26 Sch. 27 para. 6](#)
- s. 61(1A) inserted by [2007 c. 15 Sch. 13 para. 33\(3\)](#)
- s. 61(1A) omitted by [2008 c. 9 Sch. 43 para. 1\(3\)](#)
- s. 63(2)(aa) inserted by [2007 asp 3 Sch. 5 para. 9\(2\)](#)
- s. 69(1)(aa) inserted by [2021 c. 26 Sch. 27 para. 7\(a\)](#)
- s. 103ZA(m)-(o) inserted by [2021 c. 26 Sch. 27 para. 8\(b\)](#)
- s. 107A(3)(e) inserted by [2021 c. 26 Sch. 27 para. 9\(3\)\(c\)](#)
- Sch. A1 amendment to earlier affecting provision [2017 c. 32, s. 60](#) by [2018 c. 3 Sch. 6 para. 7\(2\)\(a\)](#)
- Sch. A1 amendment to earlier affecting provision [2017 c. 32, s. 60](#) by [2018 c. 3 Sch. 6 para. 7\(2\)\(b\)](#)
- Sch. A1 inserted by [2017 c. 32 s. 60\(3\)](#)