
Changes to legislation: There are currently no known outstanding effects for the Finance Act 1996, Cross Heading: Convertible securities. (See end of Document for details)

SCHEDULES

SCHEDULE 15

LOAN RELATIONSHIPS: SAVINGS AND TRANSITIONAL PROVISIONS

PART I

CORPORATION TAX

Convertible securities

- 21 ^{F1}(1)
- (2) Where—
- (a) a company held a qualifying convertible security on 31st March 1996,
 - (b) that date was not a date on which any chargeable event occurred in relation to that security, and
 - (c) there is an amount which, if there had been a chargeable event on that date, would have been treated under paragraph 12 of Schedule 10 to the Finance Act 1990 as income chargeable to tax under Case III or IV of Schedule D,
- that amount shall be brought into account, in the case of that company, as a non-trading credit given for the purposes of [^{F2}Part 5 of the Corporation Tax Act 2009] for the accounting period mentioned in sub-paragraph (3) below.
- (3) That period is the accounting period in which falls whichever is the earliest of the following, that is to say—
- (a) the earliest day after 31st March 1996 on which, under the terms on which the security was issued, the company holding the security is entitled to require it to be redeemed;
 - (b) the day on which the security is redeemed; and
 - (c) the day on which the company makes a disposal of that security.
- (4) Where—
- (a) any qualifying convertible security is redeemed, and
 - (b) that security is one in the case of which any amount falls to be brought into account under sub-paragraph (2) above,
- an amount equal to that amount shall be brought into account, in the case of the company that issued the security, as a non-trading debit given for the purposes of [^{F3}Part 5 of the Corporation Tax Act 2009] for the accounting period in which the redemption occurs.
- (5) In this paragraph “chargeable event” and “qualifying convertible security” have the same meanings as in Schedule 10 to the Finance Act 1990.

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Textual Amendments

- F1** Sch. 15 para. 21(1) repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 444(16)(a), **Sch. 3 Pt. 1** (with , Sch. 2 paras. 1-10, 54)
- F2** Words in Sch. 15 para. 21(2) substituted (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 1 para. 444(16)(b)** (with Sch. 2 paras. 1-10, 54)
- F3** Words in Sch. 15 para. 21(4) substituted (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 1 para. 444(16)(b)** (with Sch. 2 paras. 1-10, 54)

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