



# Finance Act 2004

## CHAPTER 12

### FINANCE ACT 2004

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- 2 After Schedule 11 to that Act insert— SCHEDULE 11A Disclosure...

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- 4 In section 83 of that Act (appeals) after paragraph (z)...
- 5 (1) Section 84 of that Act (further provisions relating to...
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- 4 Deductions: assets transferred within group
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- 6 Change in ownership of company with unused non-trading loss on intangible fixed assets

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- 1 Transfers of business  
2 (1) Section 444AB of the Taxes Act 1988 (charge on...  
3 (1) In the Taxes Act 1988, after section 444AB insert—...  
4 (1) In section 444AD of the Taxes Act 1988 (modification...  
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3 For sections 85 and 86 of that Act (authorised accounting...  
4 In section 87 of that Act (accounting method where parties...  
5 In section 88 of that Act (exemption from section 87...  
6 (1) Section 88A of that Act (accounting method where rate...



- 7 Omit section 90 of that Act (changes of accounting method)....
  - 8 After that section insert— Change of accounting basis applicable to...
  - 9 (1) Omit section 92 of that Act (convertible securities etc.)...
  - 10 Omit section 92A of that Act (convertible securities etc.: debtor...
  - 11 (1) Omit sections 93, 93A and 93B of that Act...
  - 12 Omit section 94 of that Act (indexed gilt-edged securities).
  - 13 After that section insert— Loan relationships with embedded  
derivatives (1) This section applies where a company is permitted or...
  - 14 In section 95 of that Act (gilt strips), in subsection...
  - 15 In section 96 of that Act (special rules for certain...
  - 16 In section 101 of that Act (financial instruments), after subsection...
  - 17 (1) Section 103 of that Act (interpretation) is amended as...
  - 18 Special computational provisions
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  - 20 (1) Paragraph 5 (bad debts etc.) is amended as follows....
  - 21 (1) Paragraph 5A (bad debts and consortium relief) is amended...
  - 22 (1) Paragraph 6 (bad debts etc where parties have a...
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  - 24 (1) Paragraph 6B (bad debts etc.: companies becoming connected) is...
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  - 26 In paragraph 8 (restriction on writing off overseas sovereign debts...
  - 27 (1) Paragraph 9 (further restriction on bringing into account losses...
  - 28 In paragraph 10 (imported losses etc.), for sub-paragraph (1) substitute  
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  - 29 In paragraph 10A (deemed disposal on company ceasing to be...
  - 30 In paragraph 11 (transactions not at arm’s length), for sub-paragraph...
  - 31 In paragraph 12 (continuity of treatment: groups etc.), in sub-  
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  - 32 In paragraph 13 (loan relationships for unallowable purposes), in the...
  - 33 (1) Paragraph 14 (debits and credits treated as relating to...
  - 34 In paragraph 16 (amounts imputed under Schedule 28AA to the...
  - 35 (1) Paragraph 19 (partnerships involving companies) is amended as  
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  - 38 For paragraph 1A (investment trusts and venture capital trusts: capital...
  - 39 (1) Paragraph 2A (authorised unit trusts) is amended as follows....
  - 40 (1) Paragraph 2B (open-ended investment companies) is amended as  
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  - 41 (1) Paragraph 4 (company holdings in unit trusts and offshore...
  - 42 In Schedule 11 to the Finance Act 1996 (c. 8)...
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  - 45 In Schedule 28A of that Act (change in ownership of...
  - 46 In paragraph 7(3) of Schedule 26 to the Transport Act...
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  - 51 In paragraph 21 (basis of accounting for contracts falling within...
  - 52 Special provision for bad debt etc.

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- 53 (1) Paragraph 22 of that Schedule (bad debts etc.) is...
  - 54 Special computational provisions
  - 55 In paragraph 23 of that Schedule (derivative contracts for unallowable...
  - 56 (1) Paragraph 25 of that Schedule (debits and credits treated...
  - 57 In paragraph 30 of that Schedule (transactions within groups:  
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- 1 The Income Tax (Earnings and Pensions) Act 2003 (c. 1)...
- 2 (1) Section 114 (cars, vans and related benefits) is amended...
- 3 In section 116(2) (when car is first made available and...
- 4 In section 119 (where alternative to benefit of car offered),...
- 5 For sections 155 to 166 substitute— Cash equivalent of the...
- 6 After section 169 insert— Van available to more than one...
- 7 (1) Section 170 (orders etc.) is amended as follows.
- 8 In section 237 (exemption from Chapter 10 of Part 3...

#### SCHEDULE 15 — Charge to income tax on benefits received by former owner of property

- 1 Introductory
- 2 Section 839 of the Taxes Act 1988 (connected persons) applies...
- 3 Land
- 4 (1) For any taxable period the chargeable amount in relation...
- 5 (1) For the purposes of paragraph 4 the annual value...
- 6 Chattels
- 7 (1) For any taxable period the chargeable amount in relation...
- 8 Intangible property comprised in settlement where settlor retains an interest
- 9 (1) For any taxable period the chargeable amount in relation...
- 10 Excluded transactions
- 11 Exemptions from charge

*Status: This is the original version (as it was originally enacted).*

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- 12 Chargeable person resident or domiciled outside the United Kingdom
- 13 Exemption in cases where aggregate notional annual values do not exceed £5,000
- 14 Power of Treasury to confer further exemptions by regulations
- 15 Valuation
- 16 Changes in distribution of deceased's estate
- 17 Guarantees
- 18 Persons chargeable under different provisions by reference to same property
- 19 Relationship with Part 3 of Income Tax (Earnings and Pensions) Act 2003
- 20 Regulations
- 21 Election for application of inheritance tax provisions
- 22 (1) This paragraph applies where— (a) a person (“the chargeable...
- 23 (1) In this paragraph— “election” means an election under paragraph...

SCHEDULE 16 — Relief where national insurance contributions met by employee

- 1 Income tax relief: restricted securities
- 2 Income tax relief: convertible securities
- 3 Income tax relief: securities options
- 4 Consequential amendments: PAYE
- 5 Consequential amendments: corporation tax relief
- 6 Consequential amendments: capital gains tax
- 7 Other consequential amendments

SCHEDULE 17 — Minor amendments of or connected with the Income Tax (Earnings and Pensions) Act 2003

- 1 Free or subsidised meals
- 2 Payments to non-approved pension schemes: exception for employment where earnings not within main charging provisions
- 3 Time limit for assessment: income received after year for which it is assessable
- 4 Computation of profits or gains under Schedule D: delayed payment of remuneration
- 5 Donations to charity by individuals: application to Crown employment
- 6 Payments on account of income tax
- 7 Tax relief for expenditure on R&D or remediation of contaminated land: staff costs
- 8 Gains and losses of a company from intangible fixed assets: delayed payment of remuneration
- 9 Minor corrections of the Income Tax (Earnings and Pensions) Act 2003
- 10 Other minor corrections

SCHEDULE 18 — Enterprise investment scheme

Part 1 — INCOME TAX RELIEF

- 1 (1) Section 289 of the Taxes Act 1988 (eligibility for...
- 2 (1) Section 289A of the Taxes Act 1988 (form of...
- 3 In section 289B of the Taxes Act 1988 (attribution of...
- 4 (1) In section 290(2) of the Taxes Act 1988 (maximum...
- 5 (1) Section 293 of the Taxes Act 1988 (qualifying companies)...
- 6 (1) In section 300 of the Taxes Act 1988 (value...
- 7 (1) In section 303 of the Taxes Act 1988 (value...
- 8 (1) In section 303A of the Taxes Act 1988 (restriction...

- 9 In section 308 of the Taxes Act 1988 (application to...
- 10 (1) In section 310 of the Taxes Act 1988 (information)—...
- 11 (1) Section 312 of the Taxes Act 1988 (interpretation) is...  
Part 2 — DEFERRAL RELIEF
- 12 Schedule 5B to the Taxation of Chargeable Gains Act 1992...
- 13 (1) In paragraph 1(2) (definition of qualifying investment)—
- 14 In paragraph 1A (failure of conditions of application)—
- 15 (1) In paragraph 10 (re-investment in same company, etc)—
- 16 (1) In paragraph 13 (value received by investor) in sub-paragraph...
- 17 (1) In paragraph 14 (value received by other persons) in...
- 18 (1) In paragraph 14A (certain receipts to be disregarded for...
- 19 (1) In paragraph 16 (information)— (a) in sub-paragraph (6), for...
- 20 (1) In paragraph 19 (1) (interpretation)— (a) before the definition...  
Part 3 — COMMENCEMENT
- 21 Except where otherwise provided, the amendments made by this Schedule...

#### SCHEDULE 19 — Venture capital trusts

##### Part 1 — INCREASE IN RELIEF ON INVESTMENTS AND DISTRIBUTIONS

- 1 In paragraph 1(3) of Schedule 15B to the Taxes Act...
- 2 In paragraph 8 (1) of that Schedule (meaning of “permitted...
- 3 The amendments made by this Part have effect for the...

##### Part 2 — ABOLITION OF DEFERRAL RELIEF

- 4 Main amendments
- 5 Schedule 5C to that Act (venture capital trusts: deferred charge...
- 6 Consequential amendment
- 7 Commencement

##### Part 3 — MISCELLANEOUS

- 8 Schedule 28B to the Taxes Act 1988 (venture capital trusts:...
- 9 In paragraph 3 (requirement as to company’s business)—
- 10 After paragraph 5 insert— Meaning of “relevant qualifying subsidiary” (1) For the purposes of this Schedule, a company (“the...
- 11 In paragraph 6 (requirements as to the money raised by...
- 12 In paragraph 10 (meaning of “qualifying subsidiary”)—
- 13 After paragraph 10 insert— Requirement as to property managing subsidiaries...
- 14 In paragraph 11 (winding up of the relevant company)—
- 15 In paragraph 11A (company in administration or receivership) in sub-paragraph...
- 16 The amendments made by this Part have effect for the...

#### SCHEDULE 20 — Corporate venturing scheme

- 1 Schedule 15 to the Finance Act 2000 (c. 17) (the...
- 2 In paragraph 3 (meaning of “the qualification period”)—
- 3 In paragraph 15 (introduction) after paragraph (e) insert—
- 4 In paragraph 20 (the qualifying subsidiaries requirement) for sub-paragraph (2)...
- 5 (1) Paragraph 21 (meaning of “qualifying subsidiary”) is amended as...
- 6 After paragraph 21 insert— The property managing subsidiaries requirement (1) The issuing company is not a qualifying issuing company...
- 7 In paragraph 23 (the trading activities requirement)—
- 8 In paragraph 24 (ceasing to meet trading requirements by reason...

- 9 In paragraph 25 (meaning of “qualifying trade”) in sub-paragraph (3) (b),...
- 10 In paragraph 35 (requirement as to the shares) in sub-paragraph...
- 11 In paragraph 36 (requirement as to money raised)—
- 12 In paragraph 40 (entitlement to claim)— (a) in sub-paragraph (2),...
- 13 In paragraph 102 (minor definitions etc) after sub-paragraph (7) insert —...
- 14 In paragraph 103 (index of defined expressions), after the entry...
- 15 The amendments made by this Schedule have effect in relation...

**SCHEDULE 21 — Chargeable gains: restriction of gifts relief etc**

- 1 Penalties for failure to furnish particulars etc
- 2 Charge on settlor with interest in settlement etc: supplementary provisions
- 3 Relief for gifts of business assets
- 4 Gifts relief not to be available on certain transfers to settlor-interested settlements etc
- 5 Gifts on which inheritance tax is chargeable etc
- 6 Payment by instalments of tax on gifts
- 7 Recovery of tax from donee
- 8 Application of taper relief
- 9 Relief for gifts of business assets
- 10 Commencement

**SCHEDULE 22 — Chargeable gains: private residence relief**

- 1 Relief on disposal of private residence
- 2 Amount of relief
- 3 Amount of relief: further provisions
- 4 Private residence occupied under terms of settlement
- 5 Private residence held by personal representatives
- 6 Private residence relief: cases where relief obtained under section 260
- 7 Commencement
- 8 Transitional provision

**SCHEDULE 23 — Finance leasebacks: transitional provision**

- 1 Introduction
- 2 Section 228B
- 3 (1) This paragraph applies where— (a) the existing leaseback terminates,...
- 4 Section 228C
- 5 (1) Section 228C applies subject to this paragraph where—
- 6 (1) This paragraph applies if— (a) the existing leaseback terminates...
- 7 Section 228D
- 8 (1) This paragraph applies where— (a) the existing leaseback terminates,...
- 9 Section 228E
- 10 Chargeable gains
- 11 Interpretation

**SCHEDULE 24 — Manufactured dividends**

- 1 Amendments of sections 231AA, 231AB and 233 of the Taxes Act 1988
- 2 Amendments of paragraph 2A of Schedule 23A to the Taxes Act 1988
- 3 Amendment of the Taxation of Chargeable Gains Act 1992

SCHEDULE 25 — Lloyd's names: conversion to limited liability underwriting

- 1 The Finance Act 1993 (c. 34) is amended as follows...
- 2 After section 179A insert— Conversion to limited liability underwriting Schedule 20A to this Act (which makes provision for certain...
- 3 After Schedule 20 insert— SCHEDULE 20A Lloyd's underwriters: conversion to...

SCHEDULE 26 — Offshore funds

- 1 Computation of UK equivalent profits: creditor relationships
- 2 Computation of UK equivalent profits: derivative contracts
- 3 Treatment of umbrella funds and funds comprising more than one class of interest
- 4 (1) Section 757 of that Act (disposal of material interests...
- 5 In section 758 of that Act (offshore funds operating equalisation...
- 6 (1) Section 759 of that Act (material interests in offshore...
- 7 (1) Section 760 of that Act (non-qualifying offshore funds) is...
- 8 (1) Schedule 27 to that Act (distributing funds: supplementary) is...
- 9 In Schedule 28 to that Act (computation of offshore income...
- 10 In section 587B of the Taxes Act 1988 (gifts of...
- 11 In section 212 of the Taxation of Chargeable Gains Act...
- 12 (1) Schedule 10 to the Finance Act 1996 (c. 8)...
- 13 Investment conditions to be met by funds seeking certification as distributing fund
- 14 (1) In Schedule 27 to the Taxes Act 1988 (distributing...
- 15 Exchange of interests of different classes
- 16 Correction of cross-reference
- 17 Transitional provision

SCHEDULE 27 — Meaning of “offshore installation”

Part 1 — THE NEW DEFINITION

- 1 In Part 19 of the Taxes Act 1988 (supplemental provisions),...
- 2 In section 832 (1) of the Taxes Act 1988 (interpretation...
- 3 Subject to the following provisions of this Schedule, paragraphs 1...

Part 2 — MINOR AND CONSEQUENTIAL AMENDMENTS

- 4 The Taxes Act 1988
- 5 (1) Schedule 28B to the Taxes Act 1988 (venture capital...
- 6 Finance Act 2000 (c. 17)
- 7 (1) In Schedule 22 to the Finance Act 2000 (tonnage...
- 8 Capital Allowances Act 2001 (c. 2)
- 9 (1) Section 153 of the Capital Allowances Act 2001 (ships...
- 10 In Part 2 of Schedule 1 to the Capital Allowances...
- 11 (1) Paragraphs 8 to 10 have effect—
- 12 Income Tax (Earnings and Pensions) Act 2003 (c. 1)
- 13 In section 305 of the Income Tax (Earnings and Pensions)...
- 14 For section 385 of the Income Tax (Earnings and Pensions)...
- 15 In Part 2 of Schedule 1 to the Income Tax...
- 16 Paragraphs 12 to 15 have effect for the year 2004-05...
- 17 (1) Schedule 5 to the Income Tax (Earnings and Pensions)...

SCHEDULE 28 — Registered pension schemes: authorised pensions—  
supplementary

Part 1 — PENSION RULES

***Defined benefits and money purchase arrangements***

- 1 Ill-health condition
- 2 Scheme pension

***Money purchase arrangements***

- 3 Lifetime annuity
- 4 Unsecured pension and alternatively secured pension
- 5 “Alternatively secured pension” means income withdrawal.
- 6 Short-term annuity
- 7 Income withdrawal
- 8 Member’s unsecured pension fund
- 9 Unsecured pension year and basis amount for unsecured pension year
- 10 (1) The period of five unsecured pension years beginning with...
- 11 Member’s alternatively secured pension fund
- 12 Alternatively secured pension year and basis amount for alternatively secured pension year
- 13 (1) For the first alternatively secured pension year, the basis...
- 14 Relevant annuity

## Part 2 — PENSION DEATH BENEFIT RULES

***Defined benefits and money purchase arrangements***

- 15 Meaning of “dependant”
- 16 Dependants' scheme pension

***Money purchase arrangements***

- 17 Dependants' annuity
- 18 Dependants' unsecured pension and dependants' alternatively secured pension
- 19 “Dependants' alternatively secured pension” means dependants' income withdrawal.
- 20 Dependants' short-term annuity
- 21 Dependants' income withdrawal
- 22 Dependant’s unsecured pension fund
- 23 Unsecured pension year and basis amount for unsecured pension year
- 24 (1) The period of five unsecured pension years beginning with...
- 25 Dependant’s alternatively secured pension fund
- 26 Alternatively secured pension year and basis amount for alternatively secured pension year
- 27 (1) For the first alternatively secured pension year, the basis...

SCHEDULE 29 — Registered pension schemes: authorised lump sums—  
supplementary

## Part 1 — LUMP SUM RULE

- 1 Pension commencement lump sum
- 2 (1) If sub-paragraph (2) applies, the permitted maximum is nil....
- 3 (1) Where the member becomes entitled to income withdrawal, the...
- 4 Serious ill-health lump sum
- 5 Short service refund lump sum
- 6 Refund of excess contributions lump sum
- 7 Trivial commutation lump sum
- 8 (1) The value of the member’s relevant crystallised pension rights...



- 9 (1) The value of the member's uncrystallised rights on the...
- 10 Winding-up lump sum
- 11 Lifetime allowance excess lump sum
- 12 Interpretation of Part 1
  - Part 2 — LUMP SUM DEATH BENEFIT RULE

***Defined benefits arrangements***

- 13 Defined benefits lump sum death benefit
- 14 Pension protection lump sum death benefit

***Money purchase arrangements***

- 15 Uncrystallised funds lump sum death benefit
- 16 Annuity protection lump sum death benefit
- 17 Unsecured pension fund lump sum death benefit
- 18 Charity lump sum death benefit
- 19 Transfer lump sum death benefit

***Defined benefits and money purchase arrangements***

- 20 Trivial commutation lump sum death benefit
- 21 Winding-up lump sum death benefit

***Interpretation***

- 22 Interpretation of Part 2

SCHEDULE 30 — Registered pension schemes: employer loans

***Definitions***

- 1 Charge of adequate value
- 2 Loan repayment date
- 3 Loan year
- 4 Required amount

***Amount of unauthorised payment***

- 5 Loan does not comply with section 179(1) when made
- 6 Loan ceases to be secured by charge of adequate value
- 7 Further reduction in value of charge which is not of adequate value
- 8 Loan ceases to comply with repayment terms
- 9 Increase in extent to which loan does not comply with repayment terms
- 10 Prevention of double charging
- 11 Total unauthorised payments not to exceed amount of loan
- 12 Amount 1
- 13 Amount 2
- 14 Amount A
- 15 Amount B
- 16 Amount C

SCHEDULE 31 — Taxation of benefits under registered pension schemes

- 1 Part 9 of ITEPA 2003 (pension income) is amended as...
- 2 In section 565 (structure of Part 9), for "Chapters 16...
- 3 (1) Section 566(4) (nature of charge to tax on pension...

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- 4 In section 567(4)(a) (amount charged to tax), for “15” substitute...
- 5 In section 568 (person liable to tax), for “15” substitute...
- 6 After Chapter 5 insert— Chapter 5A Pensions under registered pension...
- 7 Omit Chapters 6, 7, 8 and 9 (pensions under approved...
- 8 (1) Section 610 (annuities under sponsored superannuation schemes) is amended...
- 9 In section 611(3) (annuities in recognition of another’s service), for...
- 10 Omit Chapter 13 (return of surplus additional voluntary contributions under...
- 11 After Chapter 15 insert— Chapter 15A Lump sums under registered...
- 12 Omit Chapter 16 (lump sums).
- 13 In section 644(2) (pensions to which section 580 or 590...
- 14 (1) Section 683 of ITEPA 2003 (PAYE income) is amended...
- 15 In Part 2 of Schedule 1 to ITEPA 2003 (index...

SCHEDULE 32 — Registered pension schemes: benefit crystallisation events—  
supplementary

- 1 General: meaning of “the relevant pension schemes”
- 2 Post-75 events not generally benefit crystallisation events
- 3 Benefit crystallisation events 1, 2 and 4: prevention of overlap
- 4 (1) This paragraph applies for the purposes of benefit crystallisation...
- 5 Benefit crystallisation events 1 and 5: hybrid arrangements
- 6 Benefit crystallisation events 2, 3 and 5: meaning of “RVF”
- 7 Benefit crystallisation events 2 and 4: early lifetime annuities
- 8 Benefit crystallisation event 2: early pensions
- 9 Benefit crystallisation event 2: meaning of “P”
- 10 Benefit crystallisation event 3: excepted circumstances
- 11 Benefit crystallisation event 3: permitted margin
- 12 (1) This paragraph applies for the purposes of benefit crystallisation...
- 13 Benefit crystallisation event 3: meaning of “XP”
- 14 Benefit crystallisation event 5: meaning of “DP” and “DSLS”
- 15 Benefit crystallisation event 6: meaning of “relevant lump sum”
- 16 Benefit crystallisation event 7: meaning of “relevant lump sum death benefit”
- 17 Benefit crystallisation event 8: prevention of overlap with other events

SCHEDULE 33 — Overseas pension schemes: migrant member relief

- 1 Relief for members' etc. contributions
- 2 Relief for employers' contributions
- 3 In ITEPA 2003, after section 308 insert— Exemption of contributions...
- 4 Meaning of “relevant migrant member”
- 5 Meaning of “qualifying” overseas pension scheme
- 6 (1) This paragraph applies where an overseas pension scheme is...

SCHEDULE 34 — Non-UK schemes: application of certain charges

- 1 Member payment charges
- 2 The member payment provisions do not apply in relation to...
- 3 (1) The member payment provisions do not apply in relation...
- 4 (1) The member payment provisions do not apply in relation...
- 5 Sections 205 and 206 (short service refund lump sum charge...
- 6 (1) The amount of any liability to tax imposed on...
- 7 (1) The member payment provisions apply with respect to a...

- 8 Annual allowance charge
- 9 The annual allowance provisions apply by virtue of paragraph 8...
- 10 (1) Sections 230 (1) and 234 (1) (cash balance and...
- 11 (1) Section 233 (1) (other money purchase arrangements) applies by...
- 12 (1) The annual allowance provisions apply by virtue of paragraph...
- 13 Lifetime allowance charge
- 14 (1) This paragraph applies in relation to the amount crystallised...
- 15 (1) An individual who is a relieved member of a...
- 16 (1) This paragraph applies on the occurrence of a transfer...
- 17 Section 217 (persons liable to charge) applies with respect to...
- 18 (1) This paragraph applies where sums and assets held for...
- 19 (1) The provisions of this Part of this Act relating...
- 20 Meaning of “double tax arrangements”

#### SCHEDULE 35 — Pension schemes etc: minor and consequential amendments

- 1 Taxes Management Act 1970 (c. 9)
- 2 Income and Corporation Taxes Act 1988 (c. 1)
- 3 In section 21A(2) (Schedule A: computation of amount chargeable),  
insert...
- 4 In section 56(3)(b) (transfers in deposits and debts: exemption for...
- 5 In section 127(3)(a) (enterprise allowance), for “623(2)(c) or 833(4)(c)”  
substitute...
- 6 In section 129B(2) (stock lending fees), for “sections 592(2), 608(2)  
(a),...
- 7 In section 227(8)(a) (purchase of own shares: rules about trustees...
- 8 In section 265(3)(c) (transfer of blind person’s allowance to spouse...
- 9 In section 266 (1) (life assurance premiums), for “sections 274...
- 10 (1) Section 266A (life assurance premiums paid by employer) is...
- 11 In section 268(7)(b) (early conversion or surrender of rights: life...
- 12 In section 273 (payments securing annuities), for “, 617(3) and...
- 13 In section 336(1A)(b) (temporary residents not liable under certain  
pension...
- 14 In section 348(1A)(b) (payments out of profits or gains brought...
- 15 In section 349(1A)(b) (payments not out of profits or gains...
- 16 (1) Section 349B(3) (payments in case of which requirement to...
- 17 In section 360A(9)(a) (meaning of “material interest” in section 360:...
- 18 In section 414(7), (close companies: shares held on trust for...
- 19 In section 415(4)(b), (certain quoted companies not to be close...
- 20 For section 431B (life assurance: meaning of “pension business”)  
substitute—...
- 21 In section 464(5) (policies and contracts to be disregarded in...
- 22 (1) Section 466 (interpretation of Chapter 2 of Part 12)...
- 23 In section 467(3) (exemption for trade unions and employers’  
associations:...
- 24 In section 503(2) (letting of furnished holiday accommodation treated  
as...
- 25 In section 539(2) (policies of life insurance to which Chapter...
- 26 In section 613(4) (parliamentary pension funds)— (a) omit “respective”  
and...
- 27 (1) Section 657(2) (life annuities to which section 656 does...
- 28 (1) Section 660A (income arising under a settlement where settlor...
- 29 (1) Section 686 (accumulation and discretionary trusts: special rates of...

- 30 In section 715(1)(k) (exceptions from section 713 where exemption could...  
 31 In section 730A(7) (treatment of price differential on sale and...  
 32 In section 737D (1) (manufactured dividends: power to provide eligibility...  
 33 In section 824(9) (repayment supplements), after “settlement” insert “, scheme...  
 34 In section 828 (orders and regulations), after subsection (5) insert—...  
 35 (1) Section 832 (1) (interpretation of the Tax Acts) is...  
 36 In section 840A(1)(b)(iv) (definition of “bank”: exclusion of insurance companies),...  
 37 Finance Act 1990 (c. 29)  
 38 Taxation of Chargeable Gains Act 1992 (c. 12)  
 39 In section 13(10B)(b) (attribution of gains to members of non-resident...  
 40 For sections 239A and 239B (cessation of approval of retirement...  
 41 In section 288 (1) (interpretation), after the definition of “recognised...  
 42 (1) Paragraph 2 of Schedule 1 (application of exempt amount...  
 43 Finance Act 1996 (c. 8)  
 44 In section 148 (mis-sold personal pensions), after subsection (6) insert —...  
 45 In paragraph 2(1D) of Schedule 9 (loan relationships: late interest),...  
 46 Finance Act 1999 (c. 16)  
 47 Capital Allowances Act 2001 (c. 2)  
 48 In section 4(2A) (expenditure and sums that are not capital...  
 49 In Part 1 of Schedule 1 (abbreviations) insert at the...  
 50 Finance Act 2002 (c. 23)  
 51 In paragraph 4(2)(c) of Schedule 22 (computation of profits: adjustment...  
 52 (1) Schedule 29 (gains and losses of a company from...  
 53 In paragraph 114, for sub-paragraph (3) substitute—  
 54 Income Tax (Earnings and Pensions) Act 2003 (c. 1)  
 55 In section 23(3) (calculation of “chargeable overseas earnings”), in Step...  
 56 In section 54 (1) (calculation of deemed employment payment), in...  
 57 In section 56(8) (application of Income Tax Acts in relation...  
 58 In section 218(4) (“lower-paid employment”: deductions to be subtracted), for...  
 59 In section 315(5) (limited exemption for expenses connected with certain...  
 60 (1) Section 327 (deductions from earnings: general) is amended as...  
 61 In section 381 (deductions from seafarers' earnings: taking account of...  
 62 (1) Section 407 (payments and benefits on termination of employment:...  
 63 (1) Section 408 (payments and benefits on termination of employment:...  
 64 In section 563 (former employees: deductions for liabilities), in the...  
 65 (1) Schedule 1 (abbreviations and defined expressions) is amended as...

#### SCHEDULE 36 — Pension schemes etc: transitional provisions and savings

##### Part 1 — PRE-COMMENCEMENT PENSION SCHEMES

- 1 Deemed registration of existing schemes
- 2 Opting out of deemed registration
- 3 Power to modify rules of existing schemes

- 4 Scheme administrator
- 5 Post-commencement withdrawal of approval
- 6 Pre-commencement liabilities of scheme administrator
  - Part 2 — PRE-COMMENCEMENT RIGHTS: LIFETIME ALLOWANCE CHARGE
  - 7 “Primary protection”
  - 8 (1) The value of the individual’s relevant uncrystallised pension rights...
  - 9 (1) This paragraph applies if any of the individual’s uncrystallised...
  - 10 (1) The value of the individual’s relevant crystallised pension rights...
  - 11 (1) This paragraph applies where— (a) paragraph 7 makes provision...
  - 12 “Enhanced protection”
  - 13 Relevant benefit accrual occurs in relation to an individual under...
  - 14 (1) For the purposes of paragraph 13(a) a relevant contribution...
  - 15 (1) For the purposes of paragraph 13(b) “the relevant crystallised...
  - 16 (1) This paragraph specifies the post-commencement earnings limit if the...
  - 17 (1) This paragraph specifies the post-commencement earnings limit in any...
  - 18 Pre-commencement pension credits
  - 19 Individuals permitted to take pension before normal minimum pension age
  - 20 Pre-commencement pensions
    - Part 3 — PRE-COMMENCEMENT BENEFIT RIGHTS
    - 21 Rights to take pension before normal minimum pension age
    - 22 (1) This paragraph applies in relation to a registered pension...
    - 23 (1) This paragraph applies in relation to a registered pension...
    - 24 Lump sum rights exceeding £375,000: primary and enhanced protection
    - 25 (1) The amount of an individual’s total lump sum rights...
    - 26 (1) This paragraph applies if any of the individual’s uncrystallised...
    - 27 (1) If (and for so long as) paragraph 12 (enhanced...
    - 28 (1) If paragraph 12 (enhanced protection) does not apply in...
    - 29 (1) If (and for so long as) paragraph 12 (enhanced...
    - 30 (1) Any part of a lump sum falling within paragraph...
    - 31 Entitlement to lump sums exceeding 25% of uncrystallised rights
    - 32 (1) Subject to sub-paragraph (2), the value of the individual’s...
    - 33 (1) Subject to sub-paragraph (2), the value of the individual’s...
    - 34 (1) Schedule 29 applies with the following modifications.
    - 35 Winding-up lump sums paid by former approved superannuation funds
    - 36 Right to payment of lump sum death benefit
      - Part 4 — OTHER PROVISIONS
      - 37 Pre-commencement ill-health insurance contracts
      - 38 Pre-commencement loans to sponsoring employers
      - 39 Retirement annuity contracts: carry-back of pre-commencement contributions
      - 40 Members' contributions to pre-commencement retirement annuity contracts
      - 41 Employers' contributions relieved before 6th April 2006
      - 42 Spreading of employer’s contributions
      - 43 Taxation of annuities paid under pre-commencement retirement annuity contracts
      - 44 Taxation of pensions accruing (but not taxed) pre-commencement and paid or received post-commencement
      - 45 Pensions taxed pre-commencement but accruing post-commencement
      - 46 Application of PAYE to certain annuities in payment at commencement

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- 47 Authorised surplus payments charge: pre-19th March 1986 winding-up
- 48 Annual allowance charge: post-commencement contributions to discharge pre-commencement unfunded promises
- 49 Annual allowance charge: enhanced protection
- 50 Saving of sections 605 and 651A of ICTA
- 51 Individuals with pre-commencement entitlement to corresponding relief
- 52 Continuing operation of section 392 of ITEPA 2003
- 53 Benefits taxable under Chapter 2 of Part 6 of ITEPA 2003: contributions taxed pre-commencement
- 54 (1) This paragraph has effect if— (a) all of the...
- 55 (1) This paragraph has effect if paragraph 54 does not....
- 56 Inheritance tax
- 57 (1) The proportion of the assets of the fund or...
- 58 (1) Section 151 of the Inheritance Tax Act 1984 (treatment...

SCHEDULE 37 — Oil taxation: tax-exempt tariffing receipts and assets producing them

Part 1 — AMENDMENTS OF THE OIL TAXATION ACT 1983 RELATING TO ALLOWABLE EXPENDITURE AND DISPOSAL RECEIPTS

- 1 Introductory
- 2 Expenditure incurred on long-term assets other than non-dedicated mobile assets
- 3 Exclusion from s.3(4) of expenditure on assets giving rise to tax-exempt tariffing receipts
- 4 Expenditure related to exempt gas: asset use giving rise to tax-exempt tariffing receipts
- 5 Disposal receipts from assets used in a way that gives rise to tax-exempt tariffing receipts
- 6 Assets no longer in use for the principal field
- 7 Brought-in assets
- 8 Subsequent use of new asset otherwise than in connection with a taxable field

Part 2 — TRANSITIONAL PROVISION

- 9 Expenditure incurred in transitional period: restriction of tax-exempt tariffing receipts

Part 3 — AMENDMENTS OF THE TAXES ACT 1988

- 10 Introductory
- 11 Section 496: treatment of tax-exempt tariffing receipts for income and corporation tax

Part 4 — AMENDMENTS OF OTHER ENACTMENTS

*Finance Act 1999*

- 12 Qualifying assets

SCHEDULE 38 — Schedule to be inserted as Schedule 19B to the Taxes Act 1988

SCHEDULE 39 — Stamp duty land tax and stamp duty

Part 1 — AMENDMENTS TO PART 4 OF THE FINANCE ACT 2003: GENERAL

- 1 Introduction
- 2 Variation of lease
- 3 Agreement for lease
- 4 Contract providing for conveyance to third party

- 5 Contract and conveyance: effect of transfer of rights
  - 6 Relief for sale and leaseback arrangements
  - 7 Registration of land transactions
  - 8 “Effective date” of a transaction
  - 9 Chargeable consideration
  - 10 Provisions relating to leases
  - 11 (1) Schedule 17A (further provisions relating to leases) (inserted by...
  - 12 Transfer of rights after 10th July 2003 relating to earlier contract:  
applicability of SDLT regime
  - 13 Commencement
    - Part 2 — RE-ENACTMENT, WITH CHANGES, OF AMENDMENTS MADE BY  
SECTION 109 REGULATIONS
  - 14 Introduction and revocation
  - 15 Meaning of taking possession
  - 16 Relief for sale and leaseback arrangements
  - 17 Relief for certain acquisitions of residential property
  - 18 Initial transfer of assets to trustees of unit trust scheme
  - 19 Return or further return in consequence of later linked transaction
  - 20 Declaration by person authorised to act on behalf of purchaser
  - 21 Crown application
  - 22 Further provision relating to leases
  - 23 Abolition of stamp duty: application to duplicates and counterparts
  - 24 Application of transitional provisions to certain contracts
  - 25 Stamping of contract or agreement where transaction on completion or  
grant of lease subject to stamp duty land tax
  - 26 Commencement
- SCHEDULE 40 — Stamp duty land tax: claims not included in returns
- SCHEDULE 41 — Stamp duty land tax: application to certain partnership  
transactions
- 1 In Schedule 15 to the Finance Act 2003 (c. 14)...
  - 2 The following amendments are consequential on the amendment made  
by...
  - 3 (1) The preceding provisions of this Schedule have effect in...
- SCHEDULE 42 — Repeals
- Part 1 — EXCISE DUTIES
  - Part 2 — INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX
  - Part 3 — PENSION SCHEMES ETC
  - Part 4 — OTHER TAXES
  - Part 5 — MISCELLANEOUS MATTERS