



Finance Act 2005

CHAPTER 7

FINANCE ACT 2005

PART 1

EXCISE DUTIES

Tobacco products duty

- 1 Rates of tobacco products duty

Alcoholic liquor duties

- 2 Rate of duty on beer
- 3 Rates of duty on wine and made-wine

Hydrocarbon oil etc duties

- 4 Consolidation of current rates of hydrocarbon oil duties etc.
- 5 Rates of hydrocarbon oil duties etc. from 1st September 2005

Gaming duty

- 6 Rates of gaming duty

Vehicle excise duty

- 7 Rates

PART 2

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 1

INCOME TAX AND CORPORATION TAX CHARGE AND RATE BANDS

Income tax

- 8 Charge and rates for 2005-06
- 9 Personal allowances for those aged 65 or more

Corporation tax

- 10 Charge and main rate for financial year 2006
- 11 Small companies' rate and fraction for financial year 2005
- 12 Corporation tax starting rate and fraction for financial year 2005
- 13 Non-corporate distribution rate for financial year 2005

Trusts

- 14 Special trust rates not to apply to first slice of trust income

CHAPTER 2

PERSONAL TAXATION

Taxable benefits

- 15 Childcare vouchers: exempt amount
- 16 Extension of exemptions for childcare, workplace parking, cycles etc
- 17 Transfer of previously loaned computer or cycle etc
- 18 Extension of outplacement services etc exemption: part-time employees

Armed forces

- 19 Armed forces pensions and compensation schemes

CHAPTER 3

EMPLOYMENT-RELATED SECURITIES

- 20 Research institution spin-out companies
- 21 Research institution spin-out companies: pre-2nd December 2004 cases
- 22 Capital gains

CHAPTER 4

TRUSTS WITH VULNERABLE BENEFICIARY

Introductory

- 23 Introduction
- 24 Entitlement to make claim for special tax treatment

Income tax

- 25 Qualifying trusts income: special income tax treatment
- 26 Amount of relief
- 27 Trustees' liability: TQTI
- 28 Vulnerable person's liability: VQTI
- 29 Part years

Capital gains tax

- 30 Qualifying trusts gains: special capital gains tax treatment
- 31 UK resident vulnerable persons: section 77 treatment
- 32 Non-UK resident vulnerable persons: amount of relief
- 33 Vulnerable person's liability: VQTG

Qualifying trusts

- 34 Disabled persons
- 35 Relevant minors
- 36 Parts of assets

Vulnerable persons

- 37 Vulnerable person election
- 38 Meaning of "disabled person"
- 39 Meaning of "relevant minor"

Miscellaneous and supplementary

- 40 Power to make enquiries
- 41 Interpretation etc.
- 42 Application in relation to Scotland
- 43 Penalties under TMA 1970
- 44 Consequential amendments
- 45 Commencement

CHAPTER 5

ALTERNATIVE FINANCE ARRANGEMENTS

Introductory

- 46 Alternative finance arrangements

Arrangements giving rise to alternative finance return

- 47 Alternative finance arrangements: alternative finance return
- 48 Arrangements within section 47: foreign currency and non-residents

Arrangements giving rise to profit share return

- 49 Alternative finance arrangements: profit share return

Treatment of alternative finance arrangements

- 50 Treatment of alternative finance arrangements: companies

- 51 Treatment of alternative finance arrangements: persons other than companies
- 52 Provision not at arm's length
- 53 Treatment of section 47 arrangements: sale and purchase of asset
- 54 Section 49 arrangements: profit share return not to be treated as distribution

Supplementary

- 55 Further provisions
- 56 Application of Chapter
- 57 Interpretation of Chapter

CHAPTER 6

FILM RELIEF

Tax relief for limited-budget films

- 58 Relief for production and acquisition expenditure on limited-budget films

Restrictions on relief

- 59 Restrictions on relief for production and acquisition expenditure

Deferred income agreements

- 60 Deferred income agreements which exist when relief claimed
- 61 Meaning of "deferred income agreement in respect of a film"
- 62 Deferred income agreements entered into after relief claimed
- 63 Sections 60 to 62: supplementary
- 64 Transitional provision for years of assessment before the year 2005-06
- 65 Corresponding provision in ITTOIA 2005

Companies benefited by film relief: exit charges

- 66 When a chargeable event occurs
- 67 Consequences of a chargeable event: exit event X or Y
- 68 Exit event Z: a relevant disposal at an undervalue
- 69 Consequences of a chargeable event: exit event Z
- 70 Valuation of the "rights to guaranteed income" and "disposed rights"
- 71 Meaning of "company" and related terms

CHAPTER 7

AVOIDANCE INVOLVING PARTNERSHIP

Partners: restrictions on relief

- 72 Removal of restrictions on interest relief
- 73 Meaning of "contribution to the trade"

Partners: recovery of excess relief

- 74 Recovery of excess relief given under section 380 or 381 of ICTA

- 75 Computing the chargeable amount
- 76 Meaning of “relevant loss”
- 77 Transitional provision for years of assessment before the year 2005-06
- 78 Consequential amendments

Partners benefited by film relief

- 79 Meaning of “capital contribution to the trade”

CHAPTER 8

ACCOUNTING PRACTICE AND RELATED MATTERS

- 80 Accounting practice and related matters
- 81 Computation of profits: change of accounting basis
- 82 Change of accounting practice: deferment of transitional adjustments
- 83 Application of accounting standards to securitisation companies
- 84 Taxation of securitisation companies

CHAPTER 9

INTERNATIONAL MATTERS

Double taxation relief: general

- 85 Dividends by reference to which a deduction is allowed: no underlying tax

Double taxation relief: restrictions

- 86 Limits on credit: income tax and corporation tax: trading profits
- 87 Schemes and arrangements designed to increase relief
- 88 Self-assessment amendments

Controlled foreign companies

- 89 ADP dividends and double taxation relief
- 90 Foreign taxation of group as single entity: exclusion of ADP CFCs

Annual payments and double taxation relief

- 91 Tax avoidance involving annual payments and double taxation relief

CHAPTER 10

MISCELLANEOUS

Capital allowances

- 92 Capital allowances: renovation of business premises in disadvantaged areas

Tonnage tax

- 93 Tonnage tax

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

PART 3

STAMP TAXES

Stamp duty land tax

- 94 Alternative property finance

Stamp duty land tax and stamp duty

- 95 Raising of thresholds
96 Removal of disadvantaged areas relief for non-residential property

Stamp duty and stamp duty reserve tax

- 97 Demutualisation of insurance companies

PART 4

OTHER TAXES

Inheritance tax

- 98 Rates and rate bands for the next three years

Landfill tax

- 99 Rate of landfill tax

Lorry road-user charge

- 100 Lorry road-user charge

PART 5

PENSIONS ETC

- 101 Pension schemes etc.
102 Pension Protection Fund etc.

PART 6

MISCELLANEOUS

- 103 Civil partnerships etc

PART 7

SUPPLEMENTARY PROVISIONS

- 104 Repeals
105 Interpretation
106 Short title

SCHEDULES

SCHEDULE 1 — Non-UK resident vulnerable persons: interpretation

- 1 Vulnerable person's actual income
2 Trustees' specially taxed income

- 3 Vulnerable person's deemed CGT taxable amount
- 4 Vulnerable person's notional section 77 gains
- 5 Actual gains and actual losses
- 6 Assumed gains and assumed losses
- 7 Relevant assumptions

SCHEDULE 2 — Alternative finance arrangements: further provisions

- 1 Interpretation of Schedule
- 2 Taxes Management Act 1970 (c. 9)
- 3 Income and Corporation Taxes Act 1988 (c. 1)
- 4 In section 468L of ICTA (interest distributions), in subsection (9)(a),...
- 5 Section 477A of ICTA (building societies: regulations for deduction of...
- 6 Sections 480A to 482 of ICTA (relevant deposits: deduction of...
- 7 In section 582 of ICTA (funding bonds) references to interest...
- 8 Section 787 of ICTA (restriction of relief for payments of...
- 9 Finance Act 1996 (c. 8)
- 10 Income Tax (Trading and Other Income) Act 2005 (c. 5)

SCHEDULE 3 — Films: restrictions on relief for production and acquisition expenditure

Part 1 — RESTRICTIONS ON CIRCUMSTANCES IN WHICH RELIEF MAY BE OBTAINED

- 1 Section 42 of the Finance (No.2) Act 1992 (c. 48)
- 2 Section 101 of the Finance Act 2002 (c. 23)
- 3 Section 138 of the Income Tax (Trading and Other Income) Act 2005 (c. 5)
- 4 Section 139 of the Income Tax (Trading and Other Income) Act 2005 (c. 5)
- 5 Section 140 of the Income Tax (Trading and Other Income) Act 2005 (c. 5)
- 6 Meaning of "disqualifying deduction"
- 7 Transitional provision for films in production
- 8 (1) This paragraph applies in relation to relief under section...

Part 2 — RESTRICTIONS ON AMOUNT OF RELIEF WHICH MAY BE OBTAINED

- 9 Section 42 of the Finance (No.2) Act 1992 (c. 48)
- 10 Section 48 of the Finance (No.2) Act 1997 (c. 58)
- 11 Section 138 of the Income Tax (Trading and Other Income) Act 2005 (c. 5)
- 12 Section 138A of the Income Tax (Trading and Other Income) Act 2005 (c. 5)
- 13 Section 139 of the Income Tax (Trading and Other Income) Act 2005 (c. 5)
- 14 Section 140 of the Income Tax (Trading and Other Income) Act 2005 (c. 5)
- 15 Section 141 of the Income Tax (Trading and Other Income) Act 2005 (c. 5)
- 16 Section 142 of the Income Tax (Trading and Other Income) Act 2005 (c. 5)

Part 3 — MINOR AND CONSEQUENTIAL AMENDMENTS

- 17 Income and Corporation Taxes Act 1988 (c. 1)
- 18 Finance (No.2) Act 1992 (c. 48)
- 19 (1) Section 40B of F(No 2)A 1992 (allocation of expenditure...
- 20 In section 40C of F(No 2)A 1992 (cases where section...

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- 21 (1) Section 40D of F(No 2)A 1992 (election for sections...
- 22 (1) Section 41 of F(No 2)A 1992 (relief for preliminary...
- 23 (1) Section 42 of F(No 2)A 1992 (relief for production...
- 24 (1) Section 43 of F(No 2)A 1992 (interpretation of provisions...
- 25 Finance Act 1997 (c. 16)
- 26 Finance (No. 2) Act 1997 (c. 58)
- 27 Capital Allowances Act 2001 (c. 2)
- 28 Finance Act 2002 (c. 23)
- 29 In Schedule 29 to that Act (gains and losses of...
- 30 Income Tax (Trading and Other Income) Act 2005 (c. 5)
- 31 Commencement of Part 3 amendments
 - Part 4 — INTERPRETATION
- 32 Meaning of “pre-announcement expenditure”
- 33 Meaning of film “in production”
- 34 Meaning of “film” and “original master version”

SCHEDULE 4 — Accounting practice and related matters

Part 1 — BAD DEBTS AND RELATED MATTERS

- 1 ICTA
- 2 Before section 89 of ICTA insert— Restriction of deductions in...
- 3 (1) Section 89 of ICTA (debts proving to be irrecoverable...
- 4 (1) Section 94 of ICTA (debts deducted and subsequently released)...
- 5 (1) Section 103 of ICTA (receipts after discontinuance) is amended...
- 6 (1) Section 109A of ICTA (relief for post-cessation expenditure) is...
- 7 In section 799 of ICTA (double taxation relief: computation of...
- 8 In section 834(1) of ICTA (interpretation of the Corporation Tax...
- 9 FA 1996
- 10 (1) In Schedule 9 to FA 1996 (loan relationships: special...
- 11 (1) Paragraph 5 of Schedule 9 to FA 1996 (release...
- 12 After paragraph 5 of Schedule 9 to FA 1996 insert—...
- 13 (1) Paragraph 6 of Schedule 9 to FA 1996 (impairment...
- 14 Omit paragraph 6B of Schedule 9 to FA 1996 (impairment...
- 15 In paragraph 6C of Schedule 9 to FA 1996—
- 16 After paragraph 6C of Schedule 9 to FA 1996 insert—...
- 17 (1) The following provisions of Schedule 9 to FA 1996...
- 18 FA 1997
- 19 Schedule 26 to FA 2002
- 20 Schedule 29 to FA 2002
 - Part 2 — OTHER PROVISIONS CONNECTED WITH ACCOUNTING PRACTICE
- 21 ICTA
- 22 In section 75A(10) of ICTA (accounting period to which expenses...
- 23 In section 501A of ICTA (supplementary charge in respect of...
- 24 (1) Section 747A of ICTA (special rule requiring chargeable profits...
- 25 Section 836A of ICTA (meaning of generally accepted accounting practice)...
- 26 FA 1996
- 27 (1) Section 94 of FA 1996 (loan relationships: treatment of...
- 28 (1) Section 94A of FA 1996 (loan relationships with embedded...
- 29 In section 103 of FA 1996 (interpretation), after subsection (1A)...
- 30 In Schedule 9 to FA 1996 (loan relationships: special computational...
- 31 (1) Paragraph 19A of Schedule 9 to FA 1996 (loan...
- 32 FA 1997
- 33 CAA 2001

- 34 Schedule 26 to FA 2002
- 35 After paragraph 25 of Schedule 26 to FA 2002 (debits...
- 36 In paragraphs 38(1) and (3) and 38A(1) and (3) of...
- 37 In paragraph 54 of Schedule 26 to FA 2002 (derivative...
- 38 Schedule 29 to FA 2002
- 39 In paragraph 8(1) of Schedule 29 to FA 2002 for...
- 40 In paragraphs 9(1), 12(1), 14(1), 16(1), 17(1), 26(1)(a), 103(2) and...
- 41 In paragraph 13(1)(a) of Schedule 29 to FA 2002 for...
- 42 In paragraphs 27 and 28 of Schedule 29 to FA...
- 43 In paragraph 29 of Schedule 29 to FA 2002 (intangible...
- 44 In Part 7 of Schedule 29 to FA 2002 (intangible...
- 45 For paragraph 116A of Schedule 29 to FA 2002 (intangible...
- 46 (1) Paragraph 134 of Schedule 29 to FA 2002 (intangible...
- 47 In paragraph 143 of Schedule 29 to FA 2002 (intangible...
- 48 ITEPA 2003
- 49 FA 2004
- 50 In sections 50(6), 51(6), 52(3) and 54(2) of FA 2004...
- 51 In Part 4 of Schedule 10 to FA 2004 (amendments...
- 52 Power to make certain regulations with limited retrospective effect

SCHEDULE 5 — Section 804ZA: prescribed schemes and arrangements

SCHEDULE 6 — Capital allowances: renovation of business premises in disadvantaged areas

Part 1 — NEW PART 3A OF THE CAPITAL ALLOWANCES ACT 2001

- 1 After Part 3 of CAA 2001 insert— PART 3A BUSINESS...
- Part 2 — CONSEQUENTIAL AMENDMENTS
- 2 In section 1(2) of CAA 2001 (capital allowances provided for...
- 3 In section 2(3) of CAA 2001 (provisions about giving effect...
- 4 In section 3 of CAA 2001 (claims for capital allowances)...
- 5 In section 537(1) of CAA 2001 (general conditions for making...
- 6 In section 546 of CAA 2001 (interpretation of VAT provisions),...
- 7 In section 567(1) of CAA 2001 (Parts of Act for...
- 8 In section 570(1) of CAA 2001 (elections under section 569...
- 9 In section 570A(1) of CAA 2001 (avoidance affecting proceeds of...
- 10 In section 573(1) of CAA 2001 (transfers treated as sales),...
- 11 (1) Part 2 of Schedule 1 to CAA 2001 (list...

SCHEDULE 7 — Tonnage tax

Part 1 — AMENDMENTS OF SCHEDULE 22 TO FA 2000

- 1 Introduction
- 2 Period for which election is in force
- 3 Withdrawal notices
- 4 Qualifying ships
- 5 Vessels excluded from being qualifying ships
- 6 Qualifying dredgers and tugs
- 7 Effect of change of use
- 8 Flagging: rule for ships other than dredgers and tugs
- 9 Flagging: rules for dredgers and tugs
- 10 Flagging: restrictions where dredger or tug ceases to be qualifying ship under paragraph 22E
- 11 Requirement to prove compliance with safety etc standards
- 12 The ring fence: capital allowances: general: introduction

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- 13 The ring fence: capital allowances: exit: plant and machinery
- 14 The ring fence: capital allowances: ship leasing: sale and lease-back arrangements
- 15 Meaning of “offshore activities”
- 16 Vessels to which the special rules for offshore activities do not apply
- 17 Index of defined expressions
 - Part 2 — COMMENCEMENT AND TRANSITIONAL PROVISION
- 18 Commencement
- 19 Transitional provision: qualifying activities
- 20 Transitional provision: flagging: order designating financial year 2005
- 21 Transitional provision: flagging

- SCHEDULE 8 — Stamp duty land tax: alternative property finance
 - 1 Introduction
 - 2 Alternative property finance: England and Wales and Northern Ireland
 - 3 Alternative property finance: Scotland
 - 4 After section 72 insert— Alternative property finance in Scotland: land...
 - 5 Consequential amendments
 - 6 In section 122 (index of defined expressions), in the entry...
 - 7 Commencement

- SCHEDULE 9 — Stamp duty land tax and stamp duty: removal of disadvantaged areas relief for non-residential property
 - 1 Stamp duty land tax
 - 2 Stamp duty
 - 3 The insertion by paragraph 2 of provisions into the Stamp...
 - 4 Commencement and transitional provisions
 - 5 (1) Subject to sub-paragraph (2), paragraph 2 applies in relation...

- SCHEDULE 10 — Pension schemes etc.
 - 1 Introduction
 - 2 Deferred annuities
 - 3 Orders for return of unauthorised payments
 - 4 After section 266 insert— Relief from liability in respect of...
 - 5 Unauthorised member payments
 - 6 Unauthorised payments: loans to person connected with member or sponsoring employer
 - 7 Abatement of public service pensions
 - 8 (1) Schedule 32 (benefit crystallisation events: supplementary) is amended as...
 - 9 In section 279(1) (definitions), before the definition of “the Board...
 - 10 In the table in section 280(2) (index of defined expressions),...
 - 11 Scheme pensions
 - 12 In Schedule 28 (authorised pensions), after paragraph 2 insert— (1) Where this paragraph applies in relation to a pension...
 - 13 Annuities
 - 14 (1) Paragraph 6 of Schedule 28 (short-term annuity) is amended...
 - 15 (1) Paragraph 17 of Schedule 28 (dependants' annuity) is amended...
 - 16 (1) Paragraph 20 of Schedule 28 (dependants' short-term annuity) is...
 - 17 In the table in section 280(2) (index of defined expressions),...
 - 18 Unsecured pension funds and alternatively secured pension funds
 - 19 (1) Paragraph 10 of Schedule 28 (“unsecured pension years” etc.)...

- 20 (1) Paragraph 11 of Schedule 28 (member’s alternatively secured pension...)
- 21 (1) Paragraph 22 of Schedule 28 (dependant’s unsecured pension fund)...
- 22 (1) Paragraph 24 of Schedule 28 (“unsecured pension years” etc.)...
- 23 (1) Paragraph 25 of Schedule 28 (dependant’s alternatively secured pension...)
- 24 In paragraph 3(8) of Schedule 29 (pension commencement lump sum:...
- 25 (1) Schedule 32 (benefit crystallisation events: supplementary) is amended as...
- 26 Meaning of “dependant”
- 27 Dependants' scheme pensions
- 28 In Schedule 28 (authorised pensions), after paragraph 16 insert— (1) Paragraphs 16B and 16C apply where—
- 29 Lifetime annuities and dependants' annuities purchased together
- 30 (1) Paragraph 3 of Schedule 29 (pension commencement lump sum:...
- 31 In the table in section 216(1) (benefit crystallisation events and...
- 32 In paragraph 4(1) of Schedule 32 (benefit crystallisation events 4:...
- 33 In the table in section 280(2) (index of defined expressions),...
- 34 Pension commencement lump sums
- 35 (1) Paragraph 3 of Schedule 29 (applicable amount limit) is...
- 36 Recognised transfers
- 37 Assignment
- 38 Surrender and allocation of rights etc.
- 39 Restriction of employers' relief in respect of contributions
- 40 After section 246 insert— Case where no relief for provision...
- 41 Lifetime allowance: reduction of rights in respect of tax paid
- 42 In the table in section 216(1) (benefit crystallisation events and...
- 43 (1) Schedule 32 (benefit crystallisation events: supplementary) is amended as...
- 44 Lifetime allowance: minor amendment
- 45 Lifetime allowance: pension credits
- 46 Migrant member relief
- 47 Information
- 48 Electronic payment
- 49 Insurance company liable as scheme administrator
- 50 Power to split schemes
- 51 Power to modify rules of existing schemes
- 52 Primary and enhanced protection: valuation of uncrystallised rights
- 53 Enhanced protection
- 54 Transitional provisions: persons who may take benefits before normal minimum pension age
- 55 Transitional provisions: block transfers
- 56 Transitional provisions: lump sums before normal minimum pension age
- 57 Transitional provisions: lump sums exceeding 25% of uncrystallised rights
- 58 Transitional provisions: inheritance tax
- 59 Trivial commutation and winding-up lump sums
- 60 Application of PAYE to annuities etc.
- 61 In Schedule 36 to FA 2004 (transitional provisions), omit—
- 62 In sections 348(1A) and 349(1A) of ICTA (deduction of tax),...
- 63 House of Commons Members' Fund

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64 Commencement

SCHEDULE 11 — Repeals

Part 1 — EXCISE DUTIES

Part 2 — INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

Part 3 — STAMP TAXES

Part 4 — PENSIONS ETC