

*Status: Point in time view as at 06/04/2007.*

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2006, Cross Heading: Profits. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 17

#### GROUP REAL ESTATE INVESTMENT TRUSTS: MODIFICATIONS

##### *Profits*

- 17 (1) Section 119 shall apply only in relation to each UK resident company which is a member of the group; for which purpose—
- (a) a reference to C (tax-exempt) is a reference to the company if or in so far as it is a member of G (property rental business), and
  - (b) a reference to C (residual) is a reference to the company if or in so far as it is a member of G (residual).
- (2) Where a percentage of the profits of a member of G (property rental business) is excluded from a financial statement in accordance with paragraph 31(5), the excluded percentage shall be treated for the purposes of corporation tax as profits of the member in so far as it is a member of G (residual).
- 18 (1) In the application of section 121(1)—
- (a) the reference to a company to which Part 4 applies shall be treated as a reference to the principal company of a group to which Part 4 applies, and
  - (b) the reference to the profits of C (tax-exempt) shall be treated as a reference to amounts shown in the financial statements of G (property rental business) as—
    - (i) the profits of the UK resident members of the group, and
    - (ii) gains accruing to UK resident members of the group.
- (2) In section 121(5) the reference to a company to which Part 4 applies shall be treated as a reference to the principal company of a group to which Part 4 applies.
- (3) In the application of section 121(8)—
- (a) for paragraph (a) substitute—
    - “(a) the reference to the principal company of a group to which this Part applies includes a reference to the principal company of G (post-cessation),” and
  - (b) disregard paragraph (b).

19 <sup>F1</sup> .....

#### **Textual Amendments**

- F1** Sch. 17 para. 19 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by Income Tax Act 2007 (c. 3), ss. 1027, 1031, Sch. 1 para. 626(2), Sch. 3 Pt. 1 (with transitional provisions and savings in Sch. 2)

20 In the application of section 123—

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- (a) the reference to a company to which Part 4 applies shall be treated as a reference to the principal company of a group to which Part 4 applies, and
- (b) the reference to C (tax-exempt) shall be treated as a reference to a member of G (property rental business).

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