



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 12 U.K.

#### ACCRUED INCOME PROFITS

### CHAPTER 2 U.K.

#### ACCRUED INCOME PROFITS AND LOSSES

##### *Securities to which Chapter applies*

#### **619 Meaning of “securities” and when securities are of the same kind U.K.**

- (1) In this Chapter “securities” includes—
- (a) any loan stock or similar security other than an excluded security, and
  - (b) shares in a building society which are qualifying shares for the purposes of section 117(4) of TCGA 1992 (qualifying corporate bonds),
- but (subject to paragraph (b)) it does not include any shares in a company.
- (2) For the purposes of subsection (1)(a), it does not matter—
- (a) whether the security is of the government of the United Kingdom, any other government, any public or local authority in the United Kingdom or elsewhere, or any company or other body,
  - (b) whether or not the security is secured,
  - (c) whether or not the security carries a right to interest of a fixed amount or at a fixed rate percentage of the nominal value of the security, or
  - (d) whether or not the security is in bearer form.
- (3) In this section “excluded securities” means—
- (a) national savings certificates (including Ulster Savings Certificates as defined in section 693(7) of ITTOIA 2005),
  - (b) war savings certificates,

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***Changes to legislation:*** *There are currently no known outstanding effects for the Income Tax Act 2007, Section 619. (See end of Document for details)*

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- (c) uncertificated eligible debt security units as defined in section 986,
  - (d) certificates of deposit (see section 1019),
  - (e) a security which is a right falling within section 552(1)(c) of ITTOIA 2005 at the time of the transfer in question,
  - (f) a security that meets the redemption conditions (see subsection (5)), and
  - (g) a security that is a deeply discounted security within the meaning of Chapter 8 of Part 4 of ITTOIA 2005.
- (4) But subsection (3)(g) does not include a security if, on its transfer, Chapter 8 of Part 4 of ITTOIA 2005 would apply subject to the rules in sections 454 to 456 of that Act (listed securities held since 26 March 2003).
- (5) The redemption conditions are that—
- (a) the security is redeemable,
  - (b) the amount payable on its redemption exceeds its issue price, and
  - (c) no return other than the amount of that excess is payable on it.
- (6) Securities are treated as being of the same kind for the purposes of this Chapter if they—
- (a) are treated as being of the same kind by the practice of a recognised stock exchange, or
  - (b) would be so treated if dealt in on such an exchange.

**Changes to legislation:**

There are currently no known outstanding effects for the Income Tax Act 2007, Section 619.