

*These notes refer to the Corporation Tax Act 2009  
(c.4) which received Royal Assent on 26 March 2009*

# **CORPORATION TAX ACT 2009**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 2: Charge to corporation tax: basic provisions**

#### **Chapter 3: Company residence**

#### **Overview**

#### **Section 15: Continuation of residence established under common law**

94. This section gives rules on residence for companies which are not incorporated in the United Kingdom. Companies which were UK resident immediately before they ceased business or came under the control of a foreign liquidator continue to be treated as UK resident. The section is based on section 66(2) of FA 1988.
95. This section clarifies that the provision applies only to companies which are not incorporated in the United Kingdom. That is less clear in the source legislation. Any United Kingdom incorporated company which ceases business or is being wound up outside the United Kingdom is already UK resident under the rule in the previous section.
96. The purpose of the rule in this section is to provide that a company which is resident in the United Kingdom through central management and control (see above) remains resident here. Such a company could otherwise become non-UK resident if central management and control left the United Kingdom.
97. Section 66(4) of FA 1998 gives effect to Schedule 7 to that Act, the commencement and transitional provisions. Paragraphs of that Schedule which are not spent are rewritten in Schedule 2 (transitionals and savings) to this Act.