



Corporation Tax Act 2009

2009 CHAPTER 4

PART 6

RELATIONSHIPS TREATED AS LOAN RELATIONSHIPS ETC

CHAPTER 10

REPOS

General provisions

552 General provisions about arrangements

- (1) For the purposes of this Chapter it does not matter whether or not provision of any arrangement conferring a right or imposing an obligation on any person to buy any securities is subject to any conditions.
- (2) For the purposes of this Chapter an arrangement is in force from the time when the securities are initially sold until the earlier of—
 - (a) the time when the relevant repurchase takes place, and
 - (b) the time when it becomes apparent that that repurchase will not take place.
- (3) In subsection (2) “the relevant repurchase” has the meaning given by subsections (4) to (7).
- (4) In the case of a creditor repo, it means the subsequent sale of the securities or similar securities.
- (5) In the case of a creditor quasi-repo, it means—
 - (a) the subsequent sale of the securities or other securities by the lender,
 - (b) the receipt of the asset from the lender, or
 - (c) the discharge of the liability to the lender,as the case may be.

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- (6) In the case of a debtor repo, it means the subsequent buying of the securities or similar securities.
- (7) In the case of a debtor quasi-repo, it means—
 - (a) the subsequent buying of the securities or other securities by the borrower,
 - (b) the receipt of the asset from the borrower, or
 - (c) the discharge of the liability to the borrower,
 as the case may be.

553 Persons buying or selling for others

- (1) For the purposes of this Chapter, in any case where—
 - (a) a person (“A”) buys securities (or has a right or obligation to buy securities), but
 - (b) the securities are (or are to be) held for the benefit of another person (“B”),
 B (not A) is treated as buying (or having the right or obligation to buy) the securities.
- (2) In any case where—
 - (a) a person (“C”) sells securities, but
 - (b) the proceeds of the sale are held for the benefit of another person (“D”),
 D (not C) is treated as selling the securities.

554 Power to modify this Chapter

- (1) The Treasury may by regulations provide for all or any of the provisions of this Chapter to apply with modifications in relation to—
 - (a) cases where section 555 (non-standard repo cases) applies, or
 - (b) cases involving redemption arrangements, or
 - (c) both of those cases.
- (2) A case involves redemption arrangements if—
 - (a) arrangements, corresponding to those made in cases where a company has a repo, are made in relation to securities that are to be redeemed in the period after their sale, and
 - (b) the arrangements are such that a person (instead of having the right or obligation to buy those securities, or similar or other securities, at any subsequent time) has a right or obligation in respect of the benefits which will result from the redemption.
- (3) The regulations may make—
 - (a) different provision for different cases, and
 - (b) incidental, supplemental, consequential and transitional provision and savings.
- (4) In this section and section 555—
 - “modifications” include exceptions and omissions, and
 - “repo” means—
 - (a) a debtor repo or debtor quasi-repo, or
 - (b) a creditor repo or creditor quasi-repo (including anything treated, as a result of section 547, as a creditor repo for the purposes of section 546).

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555 Cases where section 554 applies: non-standard repos

- (1) The cases to which this section applies are where—
 - (a) a company has a repo,
 - (b) there has been a sale of the securities under the arrangement or arrangements by reference to which the company has the repo, and
 - (c) any of conditions A to C is met in relation to the repo.
- (2) Condition A is that those securities, or similar or other securities, are not subsequently bought under the arrangement or arrangements.
- (3) Condition B is that provision is made by or under an arrangement for different or additional securities to be treated as, or as included with, securities which, for the purposes of the subsequent purchase, are to represent those initially sold.
- (4) Condition C is that provision is made by or under an arrangement for securities to be treated as not so included.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 322(2A)(zb) inserted by [2016 c. 24 s. 73\(5\)](#)
- s. 934(1A)(1B) inserted by [2023 c. 30 Sch. 2 para. 12\(2\)](#)
- s. 962(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(5\)\(b\)](#)
- s. 962A(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(6\)\(b\)](#)
- s. 963(1A) inserted by [2023 c. 30 Sch. 2 para. 12\(7\)\(a\)](#)
- s. 1058B(5)(ea) inserted by [2023 c. 20 Sch. para. 57](#)
- s. 1094(2A)-(2C) inserted by [2012 c. 14 Sch. 3 para. 13\(3\)](#)
- s. 1106(4A)-(4C) inserted by [2012 c. 14 Sch. 3 para. 14\(3\)](#)
- s. 1138A applied by [S.I. 2024/348 reg. 3](#)