

*These notes refer to the Corporation Tax Act 2010
(c.4) which received Royal Assent on 3 March 2010*

CORPORATION TAX ACT 2010

EXPLANATORY NOTES

INTRODUCTION

Part 5: Group relief

Chapter 6: Equity holders and profits or assets available for distribution

Section 158: Meaning of “equity holder”

626. This section defines “equity holder”. It is based on paragraph 1 of Schedule 18 to ICTA.
627. *Subsection (1)* establishes that an equity holder may be:
- a shareholder (but only in relation to “ordinary shares” – see section 160); or
 - a loan creditor (but only in relation to loans that are not “normal commercial loans” – see section 162).
628. *Subsection (2)* sets out the tests in section 417 of ICTA (also rewritten in section 453) to determine whether a person is a loan creditor of a company.