



Corporation Tax Act 2010

2010 CHAPTER 4

PART 7

COMMUNITY INVESTMENT TAX RELIEF

CHAPTER 6

SUPPLEMENTARY AND GENERAL

Definitions

265 Meaning of “issue of securities or shares”

- (1) In this Part—
 - (a) references (however expressed) to an issue of securities of any body are to such securities of that body as carry the same rights and are issued under the same terms and on the same day, and
 - (b) references (however expressed) to an issue of shares in any body are to such shares in that body as are of the same class and issued on the same day.
- (2) In this Part references (however expressed) to an issue of securities of or shares in a body to a company are to such of the securities or shares in an issue of securities of or shares in that body as are issued to that company in one capacity.

266 Meaning of “disposal”

- (1) Subject to subsection (2), in this Part “disposal” is read in accordance with TCGA 1992, and related expressions are read accordingly.
- (2) An investor is treated as disposing of any securities or shares which but for section 151BC(1) of TCGA 1992 the investor—
 - (a) would be treated as exchanging for other securities or shares by virtue of section 136 of that Act, or

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- (b) would be so treated but for section 137(1) of that Act (which restricts section 136 to genuine reconstructions).

267 Construction of references to being “held continuously”

- (1) This section applies if for the purposes of this Part it becomes necessary to determine whether the investor has held the investment (or any part of it) continuously throughout any period.
- (2) The investor is not treated as having held the investment (or any part of it) continuously throughout a period if the investor—
- (a) is treated, under any provision of TCGA 1992, as having disposed of and immediately re-acquired the investment (or part) at any time during the period, or
 - (b) is treated as having disposed of the investment (or part) at any such time, by virtue of section 266(2) above.

268 Meaning of “associate”

- (1) In this Part “associate”, in relation to a person, means—
- (a) any relative or partner of that person,
 - (b) the trustee or trustees of any settlement in relation to which that person, or any relative of that person (living or dead), is or was a settlor, and
 - (c) if that person has an interest in any shares or obligations of a company which are subject to any trust or are part of the estate of a deceased person—
 - (i) the trustee or trustees of the settlement concerned or, as the case may be, the personal representatives of the deceased, and
 - (ii) if that person is a company, any other company which has an interest in those shares or obligations.
- (2) In subsection (1)(a) and (b) “relative” means spouse or civil partner, ancestor or lineal descendant.
- (3) In subsection (1)(b) “settlor” and “settlement” have the same meaning as in Chapter 5 of Part 5 of ITTOIA 2005 (see section 620 of that Act).

269 Minor definitions etc

- (1) In this Part—
- “body” includes an unincorporated association, and
- “bonus shares” means shares which are issued otherwise than for payment (whether in cash or otherwise).
- (2) For the purposes of this Part shares in a company are not treated as being of the same class unless they would be so treated if they were—
- (a) included in the official UK list, and
 - (b) admitted to trading on the London Stock Exchange.
- (3) For the purposes of this Part the market value at any time of any asset is the price which it might reasonably be expected to fetch on a sale at that time in the open market free from any interest or right which exists by way of security in or over it.

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(4) In this Part—

- (a) references to CITR obtained by the investor in respect of any investment (or part of an investment) include references to CITR obtained by the investor in respect of that investment (or part) at any time after the investor has disposed of it, and
- (b) references to the withdrawal or reduction of CITR obtained by the investor in respect of the investment (or any part of it) include references to the withdrawal or reduction of CITR obtained in respect of that investment (or part) at any such time.

(5) In the case of any condition that cannot be met until a future date—

- (a) references in this Part to a condition being met for the time being are to nothing having occurred to prevent its being met, and
- (b) references to its continuing to be met are to nothing occurring to prevent its being met.

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