



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### [<sup>F1</sup>PART 8B

TRADING PROFITS TAXABLE AT THE NORTHERN IRELAND RATE

### CHAPTER 17

EXCLUDED TRADES, EXCLUDED ACTIVITIES AND BACK-OFFICE ACTIVITIES

#### *[<sup>F1</sup>Excluded trades*

#### **Textual Amendments**

- F1** Pt. 8B inserted (with effect in accordance with s. 5 of the amending Act) by [Corporation Tax \(Northern Ireland\) Act 2015 \(c. 21\), s. 1](#)

#### **357XA Oil activities**

- (1) A trade is an “excluded trade” if it is a ring fence trade.
- (2) In this section “ring fence trade” has the same meaning as in Part 8 (oil activities) (see section 277).

#### **357XB Lending and investment**

- (1) A trade is an “excluded trade” if it consists of or includes—
  - (a) a lending activity, or
  - (b) a relevant regulated activity.
- (2) But a trade is not an “excluded trade” by virtue of subsection (1) where it is carried on by an insurance company (within the meaning given by section 65 of FA 2012).

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*Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross Heading: Excluded trades. (See end of Document for details)*

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- (3) In this section “lending activity” means—
- (a) lending of money, including consumer credit, mortgage credit, factoring (with or without recourse), and financing of commercial transactions (including forfeiting),
  - (b) finance leasing (as lessor),
  - (c) issuing and administering means of payment,
  - (d) provision of guarantees or commitments to provide money,
  - (e) money transmission services,
  - (f) provision of alternative finance arrangements, or
  - (g) other activities carried on in connection with activities falling within any of paragraphs (a) to (f).
- (4) In this section “relevant regulated activity” means an activity which is a regulated activity for the purposes of FISMA 2000 by virtue of any of the following provisions of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (S.I. 2001/544)—
- (a) article 5 (accepting deposits),
  - (b) article 14 (dealing in investments as principal),
  - (c) article 21 (dealing in investments as agent),
  - (d) article 25 (arranging deals in investments),
  - (e) article 40 (safeguarding and administering investments), and
  - (f) article 61 (entering into regulated mortgage contracts).

### 357XC Investment management

- (1) A trade is an “excluded trade” if it consists of or includes portfolio management, or risk management, in relation to—
- (a) a UCITS, or
  - (b) an AIF.
- (2) In subsection (1)—
- [<sup>F2</sup>(a) “UCITS” means—
    - (i) a UCITS within the meaning given by section 236A of the Financial Services and Markets Act 2000; or
    - (ii) an undertaking established in Gibraltar which is a UCITS under the law of Gibraltar which implemented [Directive 2009/65/EC](#) of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities;]
  - (b) “AIF” has the meaning given in regulation 3 of the Alternative Investment Fund Managers Regulations 2013 (S.I. 2013/1773).

#### Textual Amendments

- F2** S. 357XC(2)(a) substituted (31.12.2020) by [The Taxes \(Amendments\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/689), regs. 1, **17(6)** (with regs. 39-41); 2020 c. 1, Sch. 5 para. 1(1)

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**Changes to legislation:** There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross Heading: Excluded trades. (See end of Document for details)

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### **357XD Insurance: long-term business**

A trade is an “excluded trade” if it consists of or includes long-term business (within the meaning given by section 63(1) of FA 2012).

### **357XE Re-insurance trade**

- (1) A trade is an “excluded trade” if it consists of re-insurance.
- (2) In this Part “re-insurance” includes retrocession.]

**Changes to legislation:**

There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross  
Heading: Excluded trades.