

## SCHEDULES

### SCHEDULE 2

#### TRANSITIONALS AND SAVINGS ETC

#### PART 16

#### FACTORING OF INCOME ETC

##### *Transfers of income streams*

86 Chapter 1 of Part 16 does not have effect in relation to transfers before 22 April 2009.

##### *Application of Chapter 2 of Part 16 (finance arrangements) to pre-6 June 2006 arrangements*

87 Chapter 2 of Part 16 has no effect in relation to an arrangement made before 6 June 2006 so far as section 43B or 43D of ICTA applies to the arrangement (sections 43B and 43D of ICTA contain provision about rent factoring: their repeal by paragraph 1 of Schedule 6 to FA 2006 does not apply in relation to pre-6 June 2006 transactions).

##### *Application of section 771 (finance arrangements: exceptions)*

88 (1) In relation to a transfer before 22 April 2009, section 771 has effect as if after subsection (1) there were inserted—

“(1A) For the purposes of subsection (1) the effect of section 785A of ICTA (rent factoring of leases of plant or machinery) is to be disregarded.”

(2) If the arrangement mentioned in section 771 came into force before 1 October 2007, subsection (5)(b) of that section applies as if for “Schedule 13 to FA 2007 or Chapter 10 of Part 6 of CTA 2009” there were substituted “paragraph 15 of Schedule 9 to FA 1996”.

(3) Paragraph 14(6) of Schedule 13 to FA 2007 (when an arrangement is in force) applies for the purposes of sub-paragraph (2) of this paragraph as for those of that Schedule.

(4) In the case of plant or machinery which is the subject of a sale and finance leaseback (as defined in section 221 of CAA 2001) where the date of the transaction (within the meaning of that section) is before 9 October 2007, section 771(8) has effect as if at the end there were inserted “, but in applying that section it is to be assumed that the words “and which are not a long funding lease in the case of the lessor” were omitted from section 219(1)(b) of that Act (meaning of “finance lease”)”.

(5) In relation to transactions referred to in section 228A(2)(a) of CAA 2001 (as substituted by paragraph 12 of Schedule 20 to FA 2008) and entered into before 9 October 2007, section 771(9) has effect as if at the end there were inserted “with the modifications contained in section 228F of that Act”.

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*Status: This is the original version (as it was originally enacted).*

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*Application of section 779 (income-transfer under loan or credit transaction)*

- 89 In relation to a transfer before 22 April 2009, section 779(4) has effect as if—
- (a) after “if it” there were inserted “assigns,” and
  - (b) after “forgoes it” there were inserted “(without a sale or transfer of the property)”.