Finance Act 2012

2012 CHAPTER 14

PART 9

MISCELLANEOUS MATTERS

Financial sector regulation

221 Tax consequences of financial sector regulation

(1) The Treasury may by regulations make provision about the tax consequences in relation to securities of any regulatory requirement imposed[F1, or which appears to the Treasury likely to be imposed,] by any EU legislation (whenever adopted) or enactment on—

(a) persons who are authorised persons for the purposes of the Financial Services and Markets Act 2000 (see section 31 of that Act), or

(b) parent undertakings (as defined in section 420 of that Act) of such persons.

(2) Regulations under this section may, in particular, make provision—

(a) charging any tax or granting, withdrawing or restricting an exemption or other relief from any tax, and

(b) about the treatment of arrangements the purpose, or one of the main purposes, of which is to secure a tax advantage.

(3) Regulations under this section may provide that a reference in the regulations—

(a) to any EU legislation or enactment,

(b) to any document, or

(c) to any provision of any EU legislation, enactment or document

is to be construed as a reference to that legislation, enactment, document or provision as amended from time to time.

(4) Regulations under this section—

(a) may apply (with or without modifications) or disapply any enactment,

(b) may modify, amend, repeal or revoke any enactment,

(c) may make different provision for different cases or different purposes, and

(d) may include incidental, consequential, supplementary or transitional provision.

[F2(4A) Where regulations under this section make provision about the tax consequences of any regulatory requirement which appears to the Treasury likely to be imposed by any EU legislation or enactment—

(a) the regulations may be made (and, accordingly, may have effect) before the proposed legislation or enactment is adopted, passed or made, and

(b) failure after the regulations are made to adopt, pass or make the proposed legislation or enactment does not affect the validity of the regulations.]

(5) Regulations under this section are to be made by statutory instrument.

(6) No regulations may be made under this section unless a draft of the statutory instrument containing them has been laid before and approved by a resolution of the House of Commons.

(7) In this section—

"arrangements" includes any arrangements, scheme or understanding of any kind, whether or not legally enforceable and whether involving a single transaction or two or more transactions;

"enactment" includes an enactment contained in subordinate legislation (within the meaning of the Interpretation Act 1978), and includes an enactment whenever passed or made;

"tax" includes stamp duty;

"tax advantage" means—

(a) a relief from tax (including a tax credit) or increased relief from tax,

(b) a repayment of tax or increased repayment of tax,

(c) the avoidance, reduction or delay of a charge to tax or an assessment to tax, or

(d) the avoidance of a possible assessment to tax.

Textual Amendments

F1 Words in s. 221(1) inserted (17.7.2014) by Finance Act 2014 (c. 26), **s. 295(2)**

F2 S. 221(4A) inserted (17.7.2014) by Finance Act 2014 (c. 26), **s. 295(3)**

Changes to legislation:
There are currently no known outstanding effects for the Finance Act 2012, Section 221.