



# Finance Act 2012

## 2012 CHAPTER 14

### PART 1

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER 3

#### CORPORATION TAX: GENERAL

#### *Miscellaneous*

### **32 Group relief: meaning of “normal commercial loan”**

- (1) CTA 2010 is amended as follows.
- (2) In section 162(2)(c) (meaning of “normal commercial loan”), after “securities in” insert “ a quoted unconnected company (see section 164(2A)) or in ”.
- (3) In section 164 (sections 160 and 162: supplementary), in subsection (2)(c), after “securities in” insert “ a quoted unconnected company (see subsection (2A)) or in ”.
- (4) After subsection (2) of that section insert—

“(2A) For the purposes of this section and section 162 a company is a quoted unconnected company if (and only if)—

  - (a) its ordinary shares are listed on a recognised stock exchange, and
  - (b) it is not connected with the relevant company.”
- (5) In subsection (4) of that section—
  - (a) for “If the candidate company's” substitute “ In the case of a company whose ”, and
  - (b) for “subsection (3)(c) is” substitute “ subsections (2A)(a) and (3)(c) are ”.
- (6) In subsection (5) of that section, for “subsections (3) and (4)” substitute “ this section ”.

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***Changes to legislation:*** *There are currently no known outstanding effects for the Finance Act 2012, Section 32. (See end of Document for details)*

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- (7) The amendments made by this section have effect in relation to loans made on or after 21 March 2012.

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There are currently no known outstanding effects for the Finance Act 2012, Section 32.