
Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2015, Paragraph 33. (See end of Document for details)

SCHEDULES

SCHEDULE 7

LOAN RELATIONSHIPS AND DERIVATIVE CONTRACTS

PART 1

LOAN RELATIONSHIPS: AMENDMENTS OF PARTS 5 AND 6 OF CTA 2009

- 33 (1) Section 358 (exclusion of credits on release of connected companies debts: general) is amended as follows.
- (2) For subsection (4) substitute—
- “(4) For the purposes of this section “relevant rights” means rights of a company (“C”) that—
- (a) were acquired by C, before the day on which F(No2)A 2015 was passed, in circumstances that, but for the application of the old corporate rescue exception or the old debt-for-debt exception, would have resulted in a deemed release under section 361(3), or
 - (b) were acquired by another company before that day in such circumstances and transferred to C by way of an assignment or assignments.
- (4A) In subsection (4)(a)—
- (a) “the old corporate rescue exception” means the exception in section 361A (as it had effect before F(No2)A 2015);
 - (b) “the old debt-for-debt exception” means the exception in section 361B (as it had effect before that Act).”
- (3) After subsection (6) insert—
- “(7) Where the carrying value of a liability representing the debtor relationship has at any time been adjusted as a result of the liability being the hedged item under a designated fair value hedge, this section does not prevent a credit or debit being brought into account for the purposes of this Part in respect of any reversal of that adjustment.
- (8) Nothing in this section affects the credits or debits to be brought into account for the purposes of this Part in respect of exchange gains or losses arising from a debt.”

Changes to legislation:

There are currently no known outstanding effects for the Finance (No. 2) Act 2015, Paragraph 33.