

---

**Changes to legislation:** Finance (No. 2) Act 2017, Paragraph 21 is up to date with all changes known to be in force on or before 05 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

---

## SCHEDULES

### SCHEDULE 5

#### CORPORATE INTEREST RESTRICTION

#### PART 3

##### CONSEQUENTIAL AMENDMENTS

##### *TIOPA 2010: other amendments*

- 21 (1) Chapter 3 of Part 9A (CFCs: the CFC charge gateway) is amended as follows.
- (2) In section 371CE (which makes provision for determining whether Chapter 6 of Part 9A applies)—
- (a) in subsection (2)(a), after “period” insert “ (see section 371CEA) ”, and
  - (b) omit subsections (4) and (5).
- (3) After section 371CE insert—

##### **“371CEA Section 371CE: meaning of “group treasury company”**

- (1) This section makes provision for determining whether the CFC is a group treasury company in the accounting period for the purposes of section 371CE.
- (2) The CFC is a group treasury company in the accounting period if—
- (a) it is a member of a worldwide group in relation to a period of account in which the accounting period wholly or partly falls,
  - (b) throughout the accounting period—
    - (i) all, or substantially all, of the activities undertaken by it consist of treasury activities undertaken for the group, and
    - (ii) all, or substantially all, of its assets and liabilities relate to such activities, and
  - (c) at least 90% of its relevant income for the accounting period is group treasury revenue.
- (3) For the purposes of this section a company undertakes treasury activities for the group if it does one or more of the following in relation to, or on behalf of, the group or any of its members—
- (a) managing surplus deposits of money or overdrafts,
  - (b) making or receiving deposits of money,
  - (c) lending money,
  - (d) subscribing for or holding shares in a company which is a UK group company undertaking treasury activities for the group at least 90%

---

*Changes to legislation: Finance (No. 2) Act 2017, Paragraph 21 is up to date with all changes known to be in force on or before 05 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

---

- of whose relevant income is group treasury revenue for its relevant accounting period,
- (e) investing in debt securities, and
  - (f) hedging assets, liabilities, income or expenses.
- (4) For the purposes of this section “group treasury revenue”, in relation to a company, means revenue—
- (a) arising from the treasury activities that the company undertakes for the group, and
  - (b) accounted for as such under generally accepted accounting practice, before any deduction (whether for expenses or otherwise).
- (5) But revenue consisting of a dividend or other distribution is not group treasury revenue of the company unless it is from a company that meets the conditions in subsection (3)(d).
- (6) In this section—
- “debt security” has the same meaning as in the Handbook made by the Financial Conduct Authority or Prudential Regulation Authority under the Financial Services and Markets Act 2000 (as the Handbook in question has effect from time to time),
  - “period of account” has the same meaning as in Part 10,
  - “relevant accounting period” has the same meaning as in Part 10,
  - “relevant income”, in relation to a company, means income—
  - (a) arising from the activities of the company, and
  - (b) accounted for as such under generally accepted accounting practice,
- before any deduction (whether for expenses or otherwise),
- “UK group company” has the same meaning as in Part 10, and
  - “worldwide group” has the same meaning as in Part 10.”
- (4) In consequence of the amendments made by this paragraph, in Schedule 47 to FA 2013, omit paragraph 17.

**Changes to legislation:**

Finance (No. 2) Act 2017, Paragraph 21 is up to date with all changes known to be in force on or before 05 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

[View outstanding changes](#)

**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. A1 para. 8(6)(b) omitted by [2022 c. 3 Sch. 1 para. 32\(b\)](#)
- Sch. A1 para. 8(2) substituted by [2022 c. 3 Sch. 1 para. 32\(a\)](#)