
STATUTORY INSTRUMENTS

2022 No. 572

The Alternative Finance (Income Tax, Capital Gains Tax and Corporation Tax) Order 2022

Peer to peer lending: income tax

5.—(1) Section 564C of ITA 2007 (purchase and resale arrangements) is amended as follows.

(2) In subsection (1)(a) for “one or both of whom are financial institutions, and” substitute—
“and—

- (i) at least one of those persons is a financial institution, or
 - (ii) the arrangements are regulated electronic system facilitated arrangements, and”.
- (3) After subsection (2) insert—

“(2A) Arrangements are regulated electronic system facilitated arrangements if—

- (a) the arrangements substantially consist of an article 36H agreement in relation to the deferral of the payment of all or part of the second purchase price,
- (b) the first purchaser would be regarded, for the purposes of that agreement, as the lender under it,
- (c) the second purchaser would be regarded, for the purposes of that agreement, as the borrower under it, and
- (d) those purchasers becoming parties to the agreement was facilitated by an electronic system operated by a person who has permission under Part 4A of FISMA 2000 to carry on, in relation to that system, the regulated activity specified in article 36H(1) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 ([S.I. 2001/544](#)) (operating an electronic system in relation to lending).”.

(4) In subsection (3)—

- (a) omit the “and” after the definition of “the first purchase price”, and
- (b) after the definition of “the second purchase price” insert—

““article 36H agreement” has the meaning given by article 36H(4) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, and
“borrower” and “lender” are to be construed in accordance with article 36H(9) of that Order.”.