



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART VI

COMPANY DISTRIBUTIONS, TAX CREDITS ETC

CHAPTER I

TAXATION OF COMPANY DISTRIBUTIONS

Modifications etc. (not altering text)

- C1** Pt. 6 Chs. 1-3: power to amend conferred (1.4.2009 with effect in accordance with s. 1329(1) of the affecting Act) by [Corporation Tax Act 2009 \(c. 4\), s. 533\(2\)\(3\)\(d\)](#)

[^{F1}207A Application of lower rate to company distributions.

^{F2}

Textual Amendments

- F1** [S. 207A](#) inserted (27.7.1993 with application in relation to the year 1993-94 and subsequent years of assessment) by [1993 c. 34, s. 77\(1\)\(2\)\(5\)](#)
- F2** [S. 207A](#) repealed (with effect in accordance with s. 73 of the repealing Act) by Finance Act 1996, Sch. 41 Pt. 5(1), Note 1

208 U.K. company distributions not generally chargeable to corporation tax.

^{F3}

Changes to legislation: Income and Corporation Taxes Act 1988, PART VI is up to date with all changes known to be in force on or before 03 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

Textual Amendments

F3 S. 208 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 96, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

[^{F4}CHAPTER II

MATTERS WHICH ARE DISTRIBUTIONS FOR THE
PURPOSES OF THE CORPORATION TAX ACTS]

Textual Amendments

F4 Pt. 6 Ch. 2 (ss. 209-211) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 14, **Sch. 3 Pt. 1** (with Sch. 2)

209 Meaning of “distribution”.

^{F5}

Textual Amendments

F5 Pt. 6 Ch. 2 (ss. 209-211) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 14, **Sch. 3 Pt. 1** (with Sch. 2)

[^{F6}209A Section 209(3AA): link to shares of company or associated company

^{F7}

Textual Amendments

F6 Ss. 209A, 209B inserted (with effect in accordance with s. 102(3) of the amending Act) by Finance Act 2002 (c. 23), **s. 102(2)**
F7 Pt. 6 Ch. 2 (ss. 209-211) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 14, **Sch. 3 Pt. 1** (with Sch. 2)

209B Section 209(3AA): hedging arrangements

^{F8}]

Textual Amendments

F6 Ss. 209A, 209B inserted (with effect in accordance with s. 102(3) of the amending Act) by Finance Act 2002 (c. 23), **s. 102(2)**
F8 Pt. 6 Ch. 2 (ss. 209-211) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 14, **Sch. 3 Pt. 1** (with Sch. 2)

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210 Bonus issue following repayment of share capital.

F9

Textual Amendments

F9 Pt. 6 Ch. 2 (ss. 209-211) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 14, Sch. 3 Pt. 1 (with Sch. 2)

211 Matters to be treated or not to be treated as repayments of share capital.

F10

Textual Amendments

F10 Pt. 6 Ch. 2 (ss. 209-211) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 14, Sch. 3 Pt. 1 (with Sch. 2)

[^{F11}CHAPTER III

MATTERS WHICH ARE NOT DISTRIBUTIONS FOR THE PURPOSES OF THE CORPORATION TAX ACTS]

Textual Amendments

F11 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

Payments of interest

212 Interest etc. paid in respect of certain securities.

F12

Textual Amendments

F12 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

Demergers

213 Exempt distributions.

F13

Changes to legislation: Income and Corporation Taxes Act 1988, PART VI is up to date with all changes known to be in force on or before 03 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

Textual Amendments

F13 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[^{F14}213A Exempt distributions: division of business

F15

Textual Amendments

F14 [S. 213A](#) inserted (29.11.2007 with effect in accordance with reg. 3(1) of the amending S.I. (as retrospectively amended by [S.I. 2008/1579](#), [reg. 4\(1\)](#)) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2007 \(S.I. 2007/3186\)](#), [reg. 1\(2\)](#), [Sch. 1 para. 13](#)

F15 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

214 Chargeable payments connected with exempt distributions.

F16

Textual Amendments

F16 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

215 Advance clearance by Board of distributions and payments.

F17

Textual Amendments

F17 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

216 Returns.

F18

Textual Amendments

F18 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

217 Information.

F19

Changes to legislation: Income and Corporation Taxes Act 1988, PART VI is up to date with all changes known to be in force on or before 03 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

Textual Amendments

F19 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2) (subject to the omission of s. 217(4), so far as it continues to have effect, by virtue of Finance Act 2011 (c. 11), Sch. 23 paras. 55(b), 65)

218 Interpretation of sections 213 to 217.

F20

Textual Amendments

F20 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

Purchase of own shares

219 Purchase by unquoted trading company of own shares.

F21

Textual Amendments

F21 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

220 Conditions as to residence and period of ownership.

F22

Textual Amendments

F22 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

221 Reduction of vendor’s interest as shareholder.

F23

Textual Amendments

F23 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

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222 Conditions applicable where purchasing company is member of group.

F24

Textual Amendments

F24 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 15, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

223 Other conditions.

F25

Textual Amendments

F25 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 15, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

224 Relaxation of conditions in certain cases.

F26

Textual Amendments

F26 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 15, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

225 Advance clearance of payments by Board.

F27

Textual Amendments

F27 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 15, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

226 Returns and information.

F28

Textual Amendments

F28 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 15, Sch. 3 Pt. 1](#) (with [Sch. 2](#)) (subject to the omission of s. 226(4), so far as it continues to have effect, by virtue of [Finance Act 2011 \(c. 11\), Sch. 23 paras. 55\(c\), 65](#))

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227 Associated persons.

F29

Textual Amendments

F29 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

228 Connected persons.

F30

Textual Amendments

F30 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

229 Other interpretative provisions.

F31

Textual Amendments

F31 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

Stock dividends

230 Stock dividends: distributions.

F32

Textual Amendments

F32 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

^{F33}Industrial and provident society dividends etc

Textual Amendments

F33 S. 230A and preceding cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 100 (with Sch. 2 Pts. 1, 2)

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230A Dividend or bonus granted by industrial and provident society

F34]

Textual Amendments

F34 Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

CHAPTER IV

TAX CREDITS

231 Tax credits for certain recipients of qualifying distributions.

F35

Textual Amendments

F35 S. 231 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 16, Sch. 3 Pt. 1 (with Sch. 2)

[^{F36}231A Restrictions on the use of tax credits by pension funds.

F37]

Textual Amendments

F36 S. 231A inserted (with effect in accordance with s. 19(3) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), s. 19(2)

F37 S. 231A repealed (with effect in accordance with s. 30(11), Sch. 8 Pt. 2(9) Note 3 of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), s. 30(8), Sch. 8 Pt. 2(9)

[^{F38}231A No tax credit for borrower under stock lending arrangement or interim holder under repurchase agreement.

F39]

Textual Amendments

F38 S. 231AA inserted (with effect in accordance with s. 102(9) of the amending Act) by Finance Act 1998 (c. 36), s. 102(1)

F39 S. 231AA repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 17, Sch. 3 Pt. 1 (with Sch. 2)

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[^{F40}**231A** **No tax credit for original owner under repurchase agreement in respect of certain manufactured dividends.**

F41

Textual Amendments

F40 S. 231AB inserted (with effect in accordance with s. 102(10) of the amending Act) by [Finance Act 1998 \(c. 36\), s. 102\(2\)](#)

F41 S. 231AB repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 18, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

[^{F42}**231B** **Consequences of certain arrangements to pass on the value of a tax credit.**

F43

Textual Amendments

F42 S. 231B inserted (with effect in accordance with s. 28(2) of the amending Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), s. 28\(1\)](#)

F43 S. 231B omitted (with effect in accordance with Sch. 1 para. 73(1) of the repealing Act) by virtue of [Finance Act 2016 \(c. 24\), Sch. 1 para. 52\(2\)](#)

232 Tax credits for non-U.K. residents.

F44

Textual Amendments

F44 S. 232 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 117, Sch. 3 \(with Sch. 2\)](#)

233 Taxation of certain recipients of distributions and in respect of non-qualifying distributions.

F45

Textual Amendments

F45 S. 233 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 118, Sch. 3 \(with Sch. 2\)](#)

234 Information relating to distributions.

F46

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Textual Amendments

- F46** S. 234 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 20, **Sch. 3 Pt. 1** (with Sch. 2)

^{F47} 234A Information relating to distributions: further provisions.

^{F48}

Textual Amendments

- F47** S. 234A inserted (with application in relation to distributions begun after 16.7.1992) by Finance (No. 2) Act 1992 (c. 48), s. **32(1)(4)**.
- F48** S. 234A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 21, **Sch. 3 Pt. 1** (with Sch. 2)

^{F49} 235 Distributions of exempt funds etc.

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Textual Amendments

- F49** Ss. 235-237 repealed (with effect in accordance with Sch. 4 para. 7(2), Sch. 8 Pt. 2(9) Note 3 of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 4 para. 7(1), **Sch. 8 Pt. 2(9)**

^{F50} 236 Provisions supplementary to section 235.

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Textual Amendments

- F50** Ss. 235-237 repealed (with effect in accordance with Sch. 4 para. 7(2), Sch. 8 Pt. 2(9) Note 3 of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 4 para. 7(1), **Sch. 8 Pt. 2(9)**

^{F51} 237 Disallowance of reliefs in respect of bonus issues.

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Textual Amendments

- F51** Ss. 235-237 repealed (with effect in accordance with Sch. 4 para. 7(2), Sch. 8 Pt. 2(9) Note 3 of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 4 para. 7(1), **Sch. 8 Pt. 2(9)**

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CHAPTER V

ADVANCE CORPORATION TAX AND FRANKED INVESTMENT INCOME

238 Interpretation of terms and collection of ACT.

F52

Textual Amendments

F52 S. 238 repealed (with effect in accordance with Sch. 3 para. 11(2) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), Sch. 3 para. 11(1), [Sch. 27 Pt. 3\(2\)](#), Note

239 Set-off of ACT against liability to corporation tax.

F53

Textual Amendments

F53 S. 239 repealed (with effect in accordance with Sch. 3 para. 12(2) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), Sch. 3 para. 12(1), [Sch. 27 Pt. 3\(2\)](#), Note (with Sch. 3 para. 12(3)-(6))

240 Set-off of company's surplus ACT against subsidiary's liability to corporation tax.

F54

Textual Amendments

F54 S. 240 repealed (with effect in accordance with Sch. 3 para. 13(2) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), Sch. 3 para. 13(1), [Sch. 27 Pt. 3\(2\)](#), Note

241 Calculation of ACT where company receives franked investment income.

F55

Textual Amendments

F55 S. 241 repealed (with effect in accordance with Sch. 3 para. 14(2) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), Sch. 3 para. 14(1), [Sch. 27 Pt. 3\(2\)](#), Note

242 Set-off of losses etc. against surplus of franked investment income.

F56

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Textual Amendments

F56 Ss. 242-244 repealed (with effect in accordance with s. 20(1)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), s. 20(5), **Sch. 8 Pt. 2(4)**, Note

243 Set-off of loss brought forward, or terminal loss.

F57

Textual Amendments

F57 Ss. 242-244 repealed (with effect in accordance with s. 20(1)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), s. 20(5), **Sch. 8 Pt. 2(4)**, Note

244 Further provisions relating to claims under section 242 or 243.

F58

Textual Amendments

F58 Ss. 242-244 repealed (with effect in accordance with s. 20(1)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), s. 20(5), **Sch. 8 Pt. 2(4)**, Note

245 Calculation etc. of ACT on change of ownership of company.

F59

Textual Amendments

F59 S. 245 repealed (with effect in accordance with Sch. 3 para. 15(2) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), Sch. 3 para. 15(1), **Sch. 27 Pt. 3(2)**, Note

[^{F60}245A Restriction on application of section 240 in certain circumstances.

F61]

Textual Amendments

F60 Ss. 245A, 245B inserted (in relation to changes in ownership on or after 14 March 1989) by [Finance Act 1989 \(c. 26\)](#), s. 98

F61 S. 245A repealed (with effect in accordance with Sch. 3 para. 16(2) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), Sch. 3 para. 16(1), **Sch. 27 Pt. 3(2)**, Note

245B Restriction on set-off where asset transferred after change in ownership of company.

F62

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Textual Amendments

F62 S. 245B repealed (with effect in accordance with Sch. 3 para. 17(2)(3) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), Sch. 3 para. 17(1), **Sch. 27 Pt. 3(2)**, Note

246 Charge of ACT at previous rate until new rate fixed, and changes of rate.

F63

Textual Amendments

F63 S. 246 repealed (with effect in accordance with Sch. 3 para. 18(2) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), Sch. 3 para. 18(1), **Sch. 27 Pt. 3(2)**, Note

[^{F64F65} **CHAPTER VA**

FOREIGN INCOME DIVIDENDS

Textual Amendments

F64 Pt. 6 Ch. 5A (ss. 246A-246Y) inserted (3.5.1994) by [Finance Act 1994 \(c. 9\)](#), **Sch. 16 para. 1**
F65 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

Election by company paying dividend

246A Election by company paying dividend.

F66

Textual Amendments

F66 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

246B Procedure for making election.

F67

Textual Amendments

F67 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

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Recipient of foreign income dividend

246C No tax credit for recipient.

F68

Textual Amendments

F68 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

246D Individuals etc.

F69

Textual Amendments

F69 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

Companies: payments and receipts

246E Foreign income dividend not franked payment.

F70

Textual Amendments

F70 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

246F Calculation of ACT where company receives foreign income dividend.

F71

Textual Amendments

F71 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

246G Information relating to foreign income dividends.

F72

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Textual Amendments

F72 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 6 para. 3\(1\)](#), [Sch. 8 Pt. 2\(11\)](#), Note

246H Power of inspector to require information.

F73

Textual Amendments

F73 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 6 para. 3\(1\)](#), [Sch. 8 Pt. 2\(11\)](#), Note

Foreign source profit and distributable foreign profit

246I Foreign source profit and distributable foreign profit.

F74

Textual Amendments

F74 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 6 para. 3\(1\)](#), [Sch. 8 Pt. 2\(11\)](#), Note

Matching of dividend with distributable foreign profit

246J Matching of dividend with distributable foreign profit.

F75

Textual Amendments

F75 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 6 para. 3\(1\)](#), [Sch. 8 Pt. 2\(11\)](#), Note

246K Matching: subsidiaries.

F76

Textual Amendments

F76 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 6 para. 3\(1\)](#), [Sch. 8 Pt. 2\(11\)](#), Note

Changes to legislation: *Income and Corporation Taxes Act 1988, PART VI is up to date with all changes known to be in force on or before 03 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*

246L Requirement as to subsidiaries.

F77

Textual Amendments

F77 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

246M Matching: further provisions.

F78

Textual Amendments

F78 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

Repayment or set-off of advance corporation tax

246N ACT to be repaid or set off against corporation tax liability.

F79

Textual Amendments

F79 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

246P Notional foreign source advance corporation tax.

F80

Textual Amendments

F80 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

246Q Repayment or set-off: supplementary.

F81

Textual Amendments

F81 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

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246R Supplementary claims.

F82

Textual Amendments

F82 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

International headquarters companies

246S International headquarters companies.

F83

Textual Amendments

F83 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

246T Liability to pay ACT displaced.

F84

Textual Amendments

F84 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

246U Settlement of liability by IHC as to ACT.

F85

Textual Amendments

F85 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

246V Settlement of liability by non-IHC as to ACT.

F86

Textual Amendments

F86 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

Changes to legislation: Income and Corporation Taxes Act 1988, PART VI is up to date with all changes known to be in force on or before 03 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

246W Payments and repayments where further matching takes place.

F87

Textual Amendments

F87 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(II)**, Note

Adjustments

246X Adjustments where profits or foreign tax altered.

F88

Textual Amendments

F88 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(II)**, Note

Application of this Chapter

246Y Application of this Chapter.

F89]

Textual Amendments

F89 Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(II)**, Note

[^{F90}CHAPTER VI

MISCELLANEOUS AND SUPPLEMENTAL]

Textual Amendments

F90 Pt. 6 Ch. 6 (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 22, **Sch. 3 Pt. 1** (with Sch. 2)

Group income

247 Dividends etc. paid by one member of a group to another.

F91

Changes to legislation: *Income and Corporation Taxes Act 1988, PART VI is up to date with all changes known to be in force on or before 03 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*

Textual Amendments

F91 S. 247 repealed (with application in accordance with s. 85(6), Sch. 33 Pt. 2(10) Note of the repealing Act) by [Finance Act 2001 \(c. 9\)](#), s. 85(5), **Sch. 33 Pt. 2(10)**

248 Provisions supplementary to section 247.

F92

Textual Amendments

F92 S. 248 repealed (with application in accordance with s. 85(6), Sch. 33 Pt. 2(10) Note of the repealing Act) by [Finance Act 2001 \(c. 9\)](#), s. 85(5), **Sch. 33 Pt. 2(10)**

Stock dividends

249 Stock dividends treated as income.

F93

Textual Amendments

F93 Pt. 6 Ch. 6 (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), Sch. 1 para. 22, **Sch. 3 Pt. 1** (with Sch. 2)

250 Returns.

F94

Textual Amendments

F94 Pt. 6 Ch. 6 (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), Sch. 1 para. 22, **Sch. 3 Pt. 1** (with Sch. 2)

251 Interpretation of sections 249 and 250.

F95

Textual Amendments

F95 Pt. 6 Ch. 6 (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), Sch. 1 para. 22, **Sch. 3 Pt. 1** (with Sch. 2)

Changes to legislation: *Income and Corporation Taxes Act 1988, PART VI is up to date with all changes known to be in force on or before 03 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*

[^{F96} Approved share incentive plans

Textual Amendments

F96 Ss. 251A-251D and preceding cross-heading inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), **Sch. 6 para. 34** (with Sch. 7)

251A Application of sections 251B and 251C

F97

Textual Amendments

F97 Ss. 251A-251D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), Sch. 1 para. 122, **Sch. 3** (with Sch. 2)

251B Treatment of cash dividend retained and then later paid out

F98

Textual Amendments

F98 Ss. 251A-251D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), Sch. 1 para. 122, **Sch. 3** (with Sch. 2)

251C Charge on dividend shares ceasing to be subject to plan

F99

Textual Amendments

F99 Ss. 251A-251D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), Sch. 1 para. 122, **Sch. 3** (with Sch. 2)

251D Interpretation of sections 251A to 251C

F100]

Textual Amendments

F100 Ss. 251A-251D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), Sch. 1 para. 122, **Sch. 3** (with Sch. 2)

Changes to legislation: *Income and Corporation Taxes Act 1988, PART VI is up to date with all changes known to be in force on or before 03 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*

Supplemental

252 Rectification of excessive set-off etc. of ACT or tax credit.

F101

Textual Amendments

F101 Pt. 6 Ch. 6 (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 22, **Sch. 3 Pt. 1** (with Sch. 2)

253 Power to modify or replace section 234(5) to (9) and Schedule 13.

F102

Textual Amendments

F102 Pt. 6 Ch. 6 (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 22, **Sch. 3 Pt. 1** (with Sch. 2)

254 Interpretation of Part VI.

F103

Textual Amendments

F103 Pt. 6 Ch. 6 (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 22, **Sch. 3 Pt. 1** (with Sch. 2)

255 “Gross rate” and “gross amount” of distributions to include ACT.

F104

Textual Amendments

F104 S. 255 repealed (with effect in accordance with Sch. 3 para. 23(2) of the repealing Act) by Finance Act 1998 (c. 36), Sch. 3 para. 23(1), **Sch. 27 Pt. 3(2)**, Note

Changes to legislation:

Income and Corporation Taxes Act 1988, PART VI is up to date with all changes known to be in force on or before 03 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.

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

- Act Tax Acts: power to modify conferred by [2004 c. 25 s. 18](#)
- Act Taxes Acts modified by 1970 c. 9, Sch. A1 para. 10(7) (as inserted) by [2017 c. 32 s. 60\(3\)](#)
- Act Taxes Acts modified by 1970 c. 9, s. 8(7) (as inserted) by [2017 c. 32 Sch. 14 para. 3\(15\)](#)
- Act Taxes Acts modified by 1970 c. 9, s. 8A(7) (as inserted) by [2017 c. 32 Sch. 14 para. 4\(12\)](#)
- Act applied (with modifications) by [S.I. 2010/875 reg. 16Sch. 2](#) (This amendment not applied to [legislation.gov.uk](#). S.I. 2010/875 was revoked (27.8.2010) by SI 2010/1906, reg. 2 without having come into force)

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

- s. 109A(4B) inserted by [2005 c. 7 Sch. 4 para. 6\(3\)](#) (This amendment not applied to [legislation.gov.uk](#). The amending provision (2005 c. 7, Sch. 4 para. 6) repealed retrospectively by 2005 c. 22, Sch. 6 para. 4(1)(6))
- Sch. 19AB para. 5(5)(a)(b) words substituted by [S.I. 2001/3629 art. 52\(2\)\(n\)](#) (This amendment not applied to [legislation.gov.uk](#). The words to be substituted do not occur in Sch. 19AB para. 5)