



Income Tax Act 2007

2007 CHAPTER 3

PART 11 **U.K.**

MANUFACTURED PAYMENTS AND REPOS

CHAPTER 1 **U.K.**

INTRODUCTION

^{F1}565 Overview of Part **U.K.**

.....

Textual Amendments

^{F1} Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

^{F1}566 Meaning of “UK shares” and “UK securities” **U.K.**

.....

Textual Amendments

^{F1} Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

^{F1}567 Meaning of “overseas shares”, “overseas securities” and “overseas dividend” **U.K.**

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Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

F1 568 Meaning of “stock lending arrangement” U.K.

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

F1 569 Meaning of “repo” U.K.

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Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

F1 570 Meaning of “buying back” securities etc U.K.

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

F1 571 Meaning of “related” agreements U.K.

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

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CHAPTER 2 **U.K.**

MANUFACTURED PAYMENTS

Introduction

^{F1}**572 Overview of Chapter **U.K.****

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Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

^{F1}**572A Meaning of “avoidance arrangements” **U.K.****

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

Manufactured dividends on UK shares

^{F1}**573 Manufactured dividends on UK shares **U.K.****

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

^{F1}**574 Allowable deductions... **U.K.****

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Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

^{F1}**575 Allowable deductions: restriction on double-counting **U.K.****

.....

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Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

^{F1}576 Manufactured dividends on UK shares: Real Estate Investment Trusts U.K.

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

^{F1}577 Statements about manufactured dividends U.K.

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

Manufactured interest on UK securities

^{F1}578 Manufactured interest on UK securities U.K.

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

^{F1}579 Allowable deductions... U.K.

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

^{F1}580 Allowable deductions: restriction on double counting U.K.

.....

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Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

Manufactured overseas dividends

^{F1}581 **Manufactured overseas dividends** **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

^{F1}581A **Avoidance arrangements** **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

^{F1}582 **Powers about manufactured overseas dividends** **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

Special cases

^{F1}583 **Manufactured payments exceeding underlying payments** **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

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F1 584 **Manufactured payments less than underlying payments** **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 1 para. 52](#), [Sch. 29 para. 18\(a\)](#)

F1 585 **Power to deal with other special cases** **U.K.**

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Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 1 para. 52](#), [Sch. 29 para. 18\(a\)](#)

General regulation-making powers

F1 586 **Powers about administrative provisions** **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 1 para. 52](#), [Sch. 29 para. 18\(a\)](#)

F1 587 **Power for manufactured payments to be eligible for relief** **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 1 para. 52](#), [Sch. 29 para. 18\(a\)](#)

F1 588 **Regulation-making powers: general** **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 1 para. 52](#), [Sch. 29 para. 18\(a\)](#)

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Interpretation

F1589 Meaning of “gross amount”: interest and manufactured overseas dividends **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

F1590 Meaning of “relevant withholding tax” **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

F1591 Interpretation of other terms used in Chapter **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

CHAPTER 3 **U.K.**

TAX CREDITS: STOCK LENDING ARRANGEMENTS AND REPOS

Stock lending arrangements

F1592 No tax credits for borrower under stock lending arrangement **U.K.**

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), Sch. 1 para. 52, [Sch. 29 para. 18\(a\)](#)

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Repos

F1593 No tax credits for interim holder under repo U.K.

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Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of Finance Act 2013 (c. 29), Sch. 1 para. 52, Sch. 29 para. 18(a)

F1594 No tax credits for original owner under repo U.K.

.....

Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of Finance Act 2013 (c. 29), Sch. 1 para. 52, Sch. 29 para. 18(a)

Interpretation

F1595 Meaning of “manufactured dividend” U.K.

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Textual Amendments

F1 Ss. 565-595 omitted (1.1.2014) by virtue of Finance Act 2013 (c. 29), Sch. 1 para. 52, Sch. 29 para. 18(a)

CHAPTER 4 U.K.

DEEMED MANUFACTURED PAYMENTS

Stock lending arrangements

596 Deemed manufactured payments: stock lending arrangements U.K.

- F2(1)
- F2(1A)
- F2(1B)
- F2(1C)
- F2(2)

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

- F²(3)
- F²(4)
- F³(5)

Textual Amendments

- F² S. 596(1)-(4) omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 1 para. 52](#), [Sch. 29 para. 18\(b\)](#)
- F³ S. 596(5) omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(a\)](#)

F⁴597 Deemed interest: cash collateral under stock lending arrangements **U.K.**

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Textual Amendments

- F⁴ Ss. 597-605 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(b\)](#)

F⁴598 Cash collateral under stock lending arrangements: supplementary **U.K.**

.....

Textual Amendments

- F⁴ Ss. 597-605 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(b\)](#)

F⁴599 Sections 597 and 598: quasi-stock lending arrangements and quasi-cash collateral **U.K.**

.....

Textual Amendments

- F⁴ Ss. 597-605 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(b\)](#)

F⁴600 Meaning of “quasi-stock lending arrangements” and “quasi-cash collateral” **U.K.**

.....

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Textual Amendments

F4 Ss. 597-605 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of Finance Act 2013 (c. 29), **Sch. 12 para. 15(2)(b)**

Repos

F4 601 Repo cases in which deeming rules apply U.K.

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Textual Amendments

F4 Ss. 597-605 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of Finance Act 2013 (c. 29), **Sch. 12 para. 15(2)(b)**

F4 602 Deemed manufactured payments: repos U.K.

.....

Textual Amendments

F4 Ss. 597-605 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of Finance Act 2013 (c. 29), **Sch. 12 para. 15(2)(b)**

F4 603 Deemed deductions of tax U.K.

.....

Textual Amendments

F4 Ss. 597-605 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of Finance Act 2013 (c. 29), **Sch. 12 para. 15(2)(b)**

F4 604 Deemed increase in repurchase price: price differences under repos U.K.

.....

Textual Amendments

F4 Ss. 597-605 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of Finance Act 2013 (c. 29), **Sch. 12 para. 15(2)(b)**

F4 605 Deemed increase in repurchase price: other income tax purposes U.K.

.....

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Textual Amendments

- F4** Ss. 597-605 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(b\)](#)

Interpretation

606 Interpretation of Chapter **U.K.**

- F⁵(1)
- F⁵(2)
- F⁵(3)
- F⁶(4)
- F⁵(5)
- F⁵(6)
- F⁵(6A)
- F⁵(7)
- F⁷(8)
- F⁸(9)
- F⁸(10)

Textual Amendments

- F5** S. 606(1)-(7) omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(c\)](#)
- F6** S. 606(4) repealed (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 1 para. 544\(b\)](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))
- F7** S. 606(8) omitted (1.1.2014) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 1 para. 52](#), [Sch. 29 para. 18\(c\)](#)
- F8** S. 606(9)(10) omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(c\)](#)

Modifications etc. (not altering text)

- C1** Ss. 601-610 applied (with modifications) (with effect in accordance with reg. 1(2) of the amending S.I.) by [Sale and Repurchase of Securities \(Modification of Enactments\) Regulations 2007 \(S.I. 2007/2486\)](#), regs. 1(1), [2\(2\)](#), 3

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CHAPTER 5 U.K.

PRICE DIFFERENCES UNDER REPOS

Main tax treatment

F⁹607 Treatment of price differences under repos U.K.

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Textual Amendments

F9 Ss. 607-614 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(d\)](#)

F⁹608 Exceptions to section 607 U.K.

.....

Textual Amendments

F9 Ss. 607-614 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(d\)](#)

Additional tax treatment

F⁹609 Additional income tax consequences of price differences U.K.

.....

Textual Amendments

F9 Ss. 607-614 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(d\)](#)

Interpretation

F⁹610 Repurchase price in deemed manufactured payment case U.K.

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Textual Amendments

F9 Ss. 607-614 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(d\)](#)

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Power to modify

F9 611 Power to modify Chapter in non-arm's length case **U.K.**

.....

Textual Amendments

F9 Ss. 607-614 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(d\)](#)

CHAPTER 6 **U.K.**

POWERS TO MODIFY REPO PROVISIONS

F9 612 Non-standard repo cases **U.K.**

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Textual Amendments

F9 Ss. 607-614 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(d\)](#)

F9 613 Redemption arrangements **U.K.**

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Textual Amendments

F9 Ss. 607-614 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(d\)](#)

F9 614 Sections 612 and 613: supplementary **U.K.**

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Textual Amendments

F9 Ss. 607-614 omitted (with effect in accordance with Sch. 12 para. 18(1) of the amending Act) by virtue of [Finance Act 2013 \(c. 29\)](#), [Sch. 12 para. 15\(2\)\(d\)](#)

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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):

- s. 24B inserted by [2023 c. 30 Sch. 2 para. 10\(3\)](#)
- s. 788(7) inserted by [2007 c. 29 Sch. 21 para. 161\(b\)](#) (The amending provision was repealed before coming into force.)