

*These notes refer to the Corporation Tax Act 2009
(c.4) which received Royal Assent on 26 March 2009*

CORPORATION TAX ACT 2009

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 5: Loan Relationships

Overview

Chapter 17: Priority rules

Overview

1321. This Chapter gives the basic boundary rule for loan relationships in section 464 and excludes debits and credits on distributions.

Section 464: Priority of this Part for corporation tax purposes

1322. This section provides the main boundary provision applying to loan relationships. It is based on section 80(5) of, and paragraph 1(2) of Schedule 9 to, FA 1996.

Section 465: Exclusion of distributions except in tax avoidance cases

1323. This section excludes distributions from being brought into account under this Part unless they arise in consequence of avoidance arrangements. It is based on paragraph 1(1), (1A) and (2) of Schedule 9 to FA 1996.