



Corporation Tax Act 2009

2009 CHAPTER 4

PART 6

RELATIONSHIPS TREATED AS LOAN RELATIONSHIPS ETC

CHAPTER 2

RELEVANT NON-LENDING RELATIONSHIPS

Application of Part 5 to relevant non-lending relationships

481 Application of Part 5 to relevant non-lending relationships

- (1) If a company has a relevant non-lending relationship—
 - (a) Part 5 (loan relationships) applies in relation to the relevant matters (see subsections (3) and (5)) as it applies in relation to such matters arising under or in relation to a loan relationship, but
 - (b) the only credits or debits to be brought into account for the purposes of that Part in respect of the relationship are those relating to those matters.
- (2) Accordingly, subject to subsection (1)(b), references in the Corporation Tax Acts to a loan relationship include a reference to a relevant non-lending relationship.
- (3) The relevant matters in the case of a relevant non-lending relationship within section 479 are—
 - (a) interest payable to or by the company in respect of the relevant non-lending relationship,
 - (b) exchange gains or losses arising to the company as a result of the relationship,
 - (c) in the case of a debt on which interest is payable to the company, profits (but not losses) arising to the company from any related transaction in respect of the right to receive interest,

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- (d) in the case of a debt in relation to which an impairment loss [^{F1}or release debit] arises to the company in respect of an unpaid business payment, the [^{F2}impairment or release,]
 - (e) in the case of a debt in relation to which a credit in respect of the reversal of an impairment loss arises to the company in respect of a previously unpaid business payment, the reversal [^{F3}and
 - (f) in the case of a debt in relation to which a relevant deduction has been allowed to the company and which is released, the release.]
- (4) In subsection [^{F4}(3)(d) and (e)] “business payment” has the meaning given in section 479(3).
- [^{F5}(4A) In subsection (3)(f) “relevant deduction” has the meaning given in section 479(3A).]
- (5) The relevant matters in the case of a relevant non-lending relationship within section 480 are—
- (a) the matters referred to in subsection (3),
 - (b) the discount arising to the company from the money debt,
 - (c) profits (but not losses) arising to the company from any related transaction,
 - (d) any impairment arising to the company in respect of the discount, and
 - (e) any reversal of any such impairment.
- (6) Subsection (7) applies if a company—
- (a) has a relevant non-lending relationship within section 479 because of a debt on which interest is payable to the company, but
 - (b) enters into a related transaction in respect of the right to receive interest as a result of which interest is not so payable.
- (7) Even though the interest is not payable to the company, for the purpose of bringing credits into account in respect of that or any other related transaction as a result of the application of subsection (3)(c), the company is still treated as having a relevant non-lending relationship within section 479.
- (8) Section 480(5) (when discount arises) applies for the purpose of this section as it applies for the purposes of section 480.

Textual Amendments

- F1** Words in s. 481(3)(d) inserted (22.4.2009 retrospective) by [Finance Act 2009 \(c. 10\), s. 42\(9\)\(a\)\(12\)](#)
- F2** Words in s. 481(3)(d) substituted (22.4.2009 retrospective) by [Finance Act 2009 \(c. 10\), s. 42\(9\)\(a\)\(12\)](#)
- F3** S. 481(3)(f) and word inserted (22.4.2009 retrospective) by [Finance Act 2009 \(c. 10\), s. 42\(9\)\(b\)\(12\)](#)
- F4** Words in s. 481(4) substituted (22.4.2009 retrospective) by [Finance Act 2009 \(c. 10\), s. 42\(10\)\(12\)](#)
- F5** S. 481(4A) inserted (22.4.2009 retrospective) by [Finance Act 2009 \(c. 10\), s. 42\(11\)\(12\)](#)

482 Miscellaneous rules about amounts to be brought into account because of this Chapter

- (1) Any credits or debits which—
- (a) relate to interest payable under the Tax Acts, and
 - (b) fall to be brought into account because of this Chapter,
- are treated for the purposes of Part 5 as non-trading credits or debits.

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- (2) The credits to be brought into account for the purposes of that Part in respect of a discount arising from a money debt under a relevant non-lending relationship are to be determined using an amortised cost basis of accounting.

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

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

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

- s. 322(2A)(zb) inserted by [2016 c. 24 s. 73\(5\)](#)
- s. 934(1A)(1B) inserted by [2023 c. 30 Sch. 2 para. 12\(2\)](#)
- s. 962(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(5\)\(b\)](#)
- s. 962A(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(6\)\(b\)](#)
- s. 963(1A) inserted by [2023 c. 30 Sch. 2 para. 12\(7\)\(a\)](#)
- s. 1058B(5)(ea) inserted by [2023 c. 20 Sch. para. 57](#)
- s. 1094(2A)-(2C) inserted by [2012 c. 14 Sch. 3 para. 13\(3\)](#)
- s. 1106(4A)-(4C) inserted by [2012 c. 14 Sch. 3 para. 14\(3\)](#)
- s. 1138A applied by [S.I. 2024/348 reg. 3](#)