



Corporation Tax Act 2009

2009 CHAPTER 4

PART 8

INTANGIBLE FIXED ASSETS

CHAPTER 11

TRANSFER OF BUSINESS OR TRADE

The genuine commercial transaction requirement and clearance

831 The genuine commercial transaction requirement and clearance

- (1) For the purposes of this Chapter, a reconstruction, transfer or merger meets the genuine commercial transaction requirement if it—
 - (a) is effected for genuine commercial reasons, and
 - (b) does not form part of a scheme or arrangements of which the main purpose, or one of the main purposes, is avoidance of liability to corporation tax, capital gains tax or income tax.
- (2) The conditions in subsection (1) are treated as met if before the reconstruction, transfer or merger—
 - (a) the appropriate applicant has applied to the Commissioners for Her Majesty's Revenue and Customs, and
 - (b) the Commissioners have notified the appropriate applicant that they are satisfied that the requirements of subsection (1) will be met.
- (3) In subsection (2) “the appropriate applicant” means—
 - (a) in the case of an application about a reconstruction within section 818(1)(a), the transferee (within the meaning of that section),

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- (b) in the case of an application about a transfer falling within section 820 because condition A in section 819(2) is met, the transferor and the transferee (within the meaning of section 819(2)),
 - (c) in the case of an application about a transfer falling within section 820 because condition B in section 819(3) is met, the transferor and the transferee (within the meaning of section 819(3)),
 - (d) in the case of an application about a merger falling within section 821(2), the transferor (as defined in section 823(2)), and
 - (e) in the case of an application about a transfer falling within section 827(1)(a), the transferor (within the meaning of that section).
- (4) For the procedure on such an application, see section 832.

832 Procedure on application for clearance

- (1) This section applies in relation to an application under section 831(2).
- (2) The application must be in writing and must contain particulars of the operations that are to be effected.
- (3) The Commissioners for Her Majesty's Revenue and Customs may by notice require the applicant to provide further particulars for the purpose of enabling them to make their decision.
- (4) Such a notice may only be given within 30 days of the receipt of the application or of any further particulars previously required under subsection (3).
- (5) If such a notice is not complied with within 30 days or such longer period as the Commissioners for Her Majesty's Revenue and Customs may allow, they need not proceed further on the application.

833 Decision on application for clearance

- (1) The Commissioners for Her Majesty's Revenue and Customs must notify their decision on an application under section 831(2) to the applicant—
 - (a) within 30 days of receiving the application, or
 - (b) if they give a notice under section 832(3), within 30 days of the notice being complied with.
- (2) If the Commissioners for Her Majesty's Revenue and Customs—
 - (a) notify the applicant that they are not satisfied that the conditions in section 831(1) will be met, or
 - (b) do not notify their decision to the applicant within the time required by subsection (1),
 the applicant may within 30 days of the notification or of that time require them to transmit the application to the tribunal, together with any notice given and further particulars provided under section 832(3).
- (3) In that case any notification by the tribunal has effect for the purposes of section 831(2)
 - (b) as if it were a notification by the Commissioners for Her Majesty's Revenue and Customs.
- (4) If any particulars provided under section 832 do not fully and accurately disclose all facts and considerations material for the decision—

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- (a) of the Commissioners for Her Majesty's Revenue and Customs, or
 - (b) of the tribunal,
- any resulting notification by the Commissioners for Her Majesty's Revenue and Customs or the tribunal is void.

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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](#)