



Corporation Tax Act 2009

2009 CHAPTER 4

PART 5

LOAN RELATIONSHIPS

CHAPTER 18

GENERAL AND SUPPLEMENTARY PROVISIONS

Connections between persons

473 Meaning of “major interest”

- (1) In this Part references to a company (“A”) having a major interest in another company (“B”) are to be read as follows.
- (2) A has a major interest in B at any time if at that time—
 - (a) A and one other person (“C”), taken together, have control of B, and
 - (b) A and C each have interests, rights and powers representing at least 40% of the holdings, rights and powers as a result of which A and C are taken to have control of B.
- (3) The reference in subsection (2)(b) to interests, rights and powers does not include interests, rights or powers arising from shares held by a company if—
 - (a) a profit on a sale of the shares would be treated as a trading receipt of a trade carried on by the company, and
 - (b) the shares are not assets [^{F1}held by an insurance company for the purposes of its long-term business].
- (4) Section 474 makes provision about how this section operates where connected companies or partnerships are involved.

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- (5) For the purposes of this section and section 474, a company (“D”) is connected with another company (“E”) if—
- (a) D controls E,
 - (b) E controls D, or
 - (c) D and E are both controlled by the same company.
- (6) Section 472 (meaning of “control”) applies for the purposes of this section and section 474.
- (7) If two or more persons taken together have the power mentioned in section 472(2) (as read with the other provisions of section 472) as respects the affairs of a company (“B”), they are taken for the purposes of subsection (2)(a) to have control of B.

Textual Amendments

F1 Words in s. 473(3)(b) substituted (17.7.2012) by [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 161](#)

Modifications etc. (not altering text)

- C1** Pt. 5 modified (with effect in accordance with s. 148 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [s. 88\(1\)\(2\)\(7\)](#) (with [s. 147](#), [Sch. 17](#))
- C2** S. 473 applied by 2010 c. 4, s. 937K(8) (as inserted (with effect in accordance with Sch. 16 para. 5 of the amending Act) by [Finance Act 2010 \(c. 13\)](#), [Sch. 16 para. 3](#))
- C3** S. 473 applied by 2010 c. 4, s. 938E(11) (as inserted (19.7.2011) by [Finance Act 2011 \(c. 11\)](#), [Sch. 5 para. 2](#))
- C4** Ss. 473, 474 applied by 2010 c. 4, s. 357GD(11) (as inserted (with effect in accordance with Sch. 2 paras. 7, 8 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 2 para. 1\(1\)](#))
- C5** Ss. 473, 474 applied by 2010 c. 4, s. 357BC(10) (as inserted (with effect in accordance with Sch. 2 paras. 7, 8 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 2 para. 1\(1\)](#))

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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](#)