



# Finance Act 2010

## 2010 CHAPTER 13

### PART 2

#### ANTI-AVOIDANCE AND REVENUE PROTECTION

##### *Loan relationships and derivative contracts*

#### **45 Relationships treated as loan relationships etc: repos**

- (1) In paragraph 4 of Schedule 13 to FA 2007 (ignoring effect on borrower of sale of securities), in sub-paragraph (4) omit the “and” at the end of paragraph (a) and after that paragraph insert—
  - “(aa) an amount representative of income payable in respect of the securities is not to be ignored as a result of sub-paragraph (3)(b) if it is, in accordance with generally accepted accounting practice, so recognised or taken into account, and”.
- (2) In section 550 of CTA 2009 (ignoring effect on borrower of sale of securities)—
  - (a) in subsection (4), for “and (6)” substitute “ to (6) ”, and
  - (b) after subsection (5) insert—
    - “(5A) For the purposes of the charge to corporation tax, an amount representative of income payable in respect of the securities is not to be ignored as a result of subsection (3)(b) if—
      - (a) it is, in accordance with generally accepted accounting practice, recognised in determining the borrower's profit or loss for that or any other period, or
      - (b) it is taken into account in calculating the amounts which are so recognised.”
- (3) The amendments made by this section are treated as always having had effect.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2010, Section 45.