



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### PART 17

#### MANUFACTURED PAYMENTS AND REPOS

### CHAPTER 5

#### STOCK LENDING ARRANGEMENTS AND REPOS

#### *Interpretation*

#### **805 “Stock lending arrangement”**

- (1) For the purposes of this Chapter there is a stock lending arrangement in respect of securities if—
- (a) a person (“the lender”) has transferred the securities to another person (“the borrower”) otherwise than by way of sale,
  - (b) the securities are UK shares, UK securities or overseas securities,
  - (c) the transfer is under an arrangement between the lender and the borrower, and
  - (d) under the arrangement, the borrower is required to transfer the securities back to the lender otherwise than by way of sale.
- (2) The reference in subsection (1)(d) to the transfer of the securities back to the lender includes a reference to—
- (a) a transfer within subsection (3), and
  - (b) a payment within subsection (5).
- (3) A transfer is within this subsection if it is a transfer to the lender of securities of the same description as the securities—
- (a) in accordance with a requirement to do so, or
  - (b) in exercise of a power to substitute securities of the same description for the securities that are required to be transferred back.

*Status: Point in time view as at 19/07/2011.*

*Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross Heading: Interpretation. (See end of Document for details)*

- (4) For the purposes of subsection (3), securities are taken to be of the same description as other securities if (and only if) they—
- (a) are in the same quantities,
  - (b) give the same rights against the same persons, and
  - (c) are of the same type and nominal value,
- as the other securities.
- (5) A payment is within this subsection if it is a payment to the lender, in pursuance of a redemption obligation, of an amount equal to the amount of the entitlement under the redemption obligation.
- (6) A redemption obligation is an obligation that arises on a person's becoming entitled to receive an amount in respect of the redemption of the securities.

**Modifications etc. (not altering text)**

**C1** S. 805 applied (19.7.2011) by [Finance Act 2011 \(c. 11\)](#), [Sch. 19 para. 32\(3\)](#)

**806 Section 805: supplementary**

- (1) In section 805 “UK securities” means securities of—
- (a) the government of the United Kingdom,
  - (b) a local authority in the United Kingdom,
  - (c) another public authority in the United Kingdom, or
  - (d) a UK resident company or other UK resident body.
- (2) But in that section “UK securities” does not include UK shares.
- (3) In subsection (1) “securities” includes loan stock or any similar security.

**807 “Creditor repo”, “creditor quasi-repo”, “debtor repo” and “debtor quasi-repo”**

In this Chapter each of the following expressions has the same meaning as in Chapter 10 of Part 6 of CTA 2009—

- “creditor repo” (see section 543 of that Act),
- “creditor quasi-repo” (see section 544 of that Act),
- “debtor repo” (see section 548 of that Act),
- “debtor quasi-repo” (see section 549 of that Act).

**Status:**

Point in time view as at 19/07/2011.

**Changes to legislation:**

There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross  
Heading: Interpretation.