



Corporation Tax Act 2010

2010 CHAPTER 4

PART 23

COMPANY DISTRIBUTIONS

CHAPTER 5

DEMERGERS

Advance clearance

1092 Advance clearance of payments

- (1) If—
 - (a) a person intending to make a payment applies under this section to the Commissioners, and
 - (b) before the payment is made the Commissioners notify the person that they are satisfied that the payment meets the conditions set out in subsection (2),the payment is not treated as a chargeable payment.
- (2) The conditions are that the payment—
 - (a) will be made for genuine commercial reasons, and
 - (b) will not form part of a scheme or arrangement the main purpose or one of the main purposes of which is the avoidance of tax.
- (3) In subsection (2) “tax” includes stamp duty and stamp duty land tax.
- (4) A company which—
 - (a) becomes connected with another company, or
 - (b) ceases to be connected with another company,

Status: This is the original version (as it was originally enacted).

may make an application under subsection (1) with respect to any payments that may be made by it at any time after becoming or ceasing to be connected with the company in question (whether or not there is any present intention to make any payments).

- (5) If the Commissioners give a notification on an application made by virtue of subsection (4), no payment to which the notification relates is to be treated as a chargeable payment merely because the company is or has been connected with the other company.