



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### PART 7

#### COMMUNITY INVESTMENT TAX RELIEF

### CHAPTER 6

#### SUPPLEMENTARY AND GENERAL

#### *Alternative finance arrangements*

#### **258 Deposit arrangements**

- (1) This section applies if, under arrangements to which section 505 of CTA 2009 applies, a person (“the depositor”) deposits money with a financial institution.
- (2) This Part has effect in relation to the arrangements in accordance with subsections (3) to (9).
- (3) The depositor is treated as making a loan to the financial institution.
- (4) The amount of the loan is treated as being equal to the money deposited under the arrangements.
- (5) If the arrangements provide that the depositor will deposit a sum of money with the financial institution in instalments—
  - (a) references to the loan being drawn down over a period of time include references to the depositor depositing a sum of money with the financial institution in instalments,
  - (b) references to the date on which the first amount of the loan is drawn down include references to the date on which the first instalment is deposited with the financial institution, and

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**Changes to legislation:** There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 258. (See end of Document for details)

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- (c) references to the amount drawn down at a given date include references to the value of the instalments deposited with the financial institution at that date.
- (6) The capital outstanding on the loan is treated as being equal to the balance of the repayable deposit.
- (7) References to any repayment of the loan include references to any repayment of the deposit.
- (8) References to the beneficial owner of the loan include references to the person beneficially entitled to repayment of the deposit.
- (9) References to the disposal of the whole or any part of the loan include references to the disposal of the right to receive repayment of the whole or any part of the deposit.
- (10) In this section “financial institution” has the same meaning as in Chapter 6 of Part 6 of CTA 2009 (see section 502 of that Act).

**Changes to legislation:**

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 258.