

Status: Point in time view as at 01/04/2010.

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SCHEDULES

SCHEDULE 8

MINOR AND CONSEQUENTIAL AMENDMENTS

PART 9

SALE AND LEASE-BACK ETC

Income and Corporation Taxes Act 1988 (c. 1)

- 240 ICTA is amended as follows.
- 241 Omit section 24 (which has come to apply only for the interpretation of section 780 of ICTA).
- 242 Omit sections 779 to 785 (sale and lease-back etc).

Taxation of Chargeable Gains Act 1992 (c. 12)

- 243 TCGA 1992 is amended as follows.
- 244 In Schedule 8 (leases) in paragraph 9(2) (gain reduced by amount on which income tax charged by reference to a capital sum) for “section 785 of the Taxes Act” substitute “ section 681DM of ITA 2007 ”.

Broadcasting Act 1996 (c. 55)

- 245 The Broadcasting Act 1996 is amended as follows.
- 246 (1) Amend Schedule 7 (transfer schemes: taxation provisions) as follows.
- (2) In paragraph 22(1) after “reliefs” insert “ , and sections 681AD and 681AE of the Income Tax Act 2007 (which make corresponding provision), ”.
- (3) In paragraph 22(2)—
- (a) before “and” insert “ or section 681AA or 681AB of the Income Tax Act 2007 ”, and
- (b) after the second occurrence of “2010” (which is inserted by CTA 2010) insert “ or section 681AM of the Income Tax Act 2007 ”.
- (4) In paragraph 23(1) after “consideration” insert “ , and Chapter 2 of Part 12A of the Income Tax Act 2007 (which makes corresponding provision), ”.
- (5) In paragraph 23(3) before “and sub-paragraph (2)” insert “ , or section 681BA of the Income Tax Act 2007, ”.
- (6) In paragraph 24(1) after “others)” insert “ and Chapter 4 of Part 12A of the Income Tax Act 2007 (which makes corresponding provision), ”.

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- (7) In paragraph 24(2) for “leases: special cases)” substitute “ lease of trading asset), and section 681CC of the Income Tax Act 2007 (which makes corresponding provision), ”.
- (8) For paragraph 24(3) substitute—
- “(3) In sub-paragraph (1)—
- “lease” has the meaning given by section 884 of the Corporation Tax Act 2010 or section 681DN of the Income Tax Act 2007, and
- “relevant asset” has the meaning given by section 885 of the Corporation Tax Act 2010 or section 681DO of the Income Tax Act 2007.
- (4) In sub-paragraph (2)—
- “lease” has the meaning given by section 868 of the Corporation Tax Act 2010 or section 681CF of the Income Tax Act 2007, and
- “relevant asset” has the meaning given by section 869 of the Corporation Tax Act 2010 or section 681CG of the Income Tax Act 2007.”

Finance Act 1999 (c. 16)

- 247 FA 1999 is amended as follows.
- 248 In section 97(6), in the definition of “lease”, for “sections 781 to 784 of the Taxes Act 1988” substitute “ Chapter 3 of Part 19 of CTA 2010 (see section 868) ”.

Greater London Authority Act 1999 (c. 29)

- 249 The Greater London Authority Act 1999 is amended as follows.
- 250 (1) Amend paragraph 13 of Schedule 33 (taxation provisions: public-private partnership agreements: sale and leasebacks) as follows.
- (2) In sub-paragraph (1) before “shall” insert “ , nor any of sections 681AD, 681AE and 681CC of the Income Tax Act 2007 (which make corresponding provision), ”.
- (3) In sub-paragraph (2) for “that Act” substitute “ the Corporation Tax Act 2010 and Chapter 4 of Part 12A of the Income Tax Act 2007 ”.

Transport Act 2000 (c. 38)

- 251 The Transport Act 2000 is amended as follows.
- 252 In paragraph 15 of Schedule 7 (transfer schemes: tax: leased assets)—
- (a) in sub-paragraph (1) before “(assets” insert “ or Chapter 4 of Part 12A of the Income Tax Act 2007 ”, and
- (b) in sub-paragraph (2) for “that Act” substitute “ the Corporation Tax Act 2010 and section 681DI of the Income Tax Act 2007 ”.

Income Tax (Trading and Other Income) Act 2005 (c. 5)

- 253 ITTOIA 2005 is amended as follows.
- 254 (1) Amend section 49 (car or motor cycle hire: supplementary) as follows.

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(2) In subsection (2)(a) omit “(see subsection (3))”.

(3) For subsections (3) to (5) substitute—

“(3) For this purpose “hire-purchase agreement” has the meaning given by section 998A of ITA 2007.”

255 In section 100(4) (meaning of sale and lease-back arrangement) after “as is described in” insert “ section 681AA(1) or (2), 681AB(1) or (2) or 681BA of ITA 2007 or ”.

Income Tax Act 2007 (c. 3)

256 ITA 2007 is amended as follows.

257 In section 2 (overview of Act) after subsection (12) insert—

“(12A) Part 12A is about sale and lease-back etc.”

258 In section 989 at the appropriate place insert—

““hire-purchase agreement” is to be read in accordance with section 998A,”.

259 After section 998 insert—

“998A Meaning of “hire-purchase agreement”

(1) This section applies for the purposes of the provisions of the Income Tax Acts which apply this section.

(2) A hire-purchase agreement is an agreement in whose case each of conditions A to C is met.

(3) Condition A is that under the agreement goods are bailed (or in Scotland hired) in return for periodical payments by the person to whom they are bailed (or hired).

(4) Condition B is that under the agreement the property in the goods will pass to the person to whom they are bailed (or hired) if the terms of the agreement are complied with and one or more of the following events occurs—

- (a) the exercise of an option to purchase by that person,
- (b) the doing of another specified act by any party to the agreement,
- (c) the happening of another specified event.

(5) Condition C is that the agreement is not a conditional sale agreement.

(6) In subsection (5) “conditional sale agreement” means an agreement for the sale of goods under which—

- (a) the purchase price or part of it is payable by instalments, and
- (b) the property in the goods is to remain in the seller (even though they are to be in the possession of the buyer) until conditions specified in the agreement are met (whether as to the payment of instalments or otherwise).”

260 (1) Amend section 1016(2) (table of provisions to which section applies) as follows.

(2) In Part 2 of the table at the appropriate place insert—

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“Section 681BB(8) and (9) New lease after assignment or surrender”

(3) In Part 2 of the table at the appropriate place insert—

“Section 681DD Leased assets: capital sums”

(4) In Part 3 of the table omit the entry for section 780(3A)(a) of ICTA.

(5) In Part 3 of the table omit the entry for section 781(1) of ICTA.

261 In Schedule 4 (index of defined expressions) at the appropriate places insert—

“associated (in Chapter 1 of Part 12A)	section 681AM”
“associates (in Chapter 4 of Part 12A)	section 681DL”
“capital sum (in Chapter 4 of Part 12A)	section 681DM”
“deduction by way of relevant income tax relief (in Chapter 1 of Part 12A)	section 681AC(1)”
“deduction by way of relevant income tax relief (in Chapter 2 of Part 12A)	section 681BK”
“deduction by way of relevant tax relief (in Chapter 4 of Part 12A)	section 681DP”
“dispositions of interests in land outside the United Kingdom (in Chapter 1 of Part 12A)	section 681AN”
“interests in land outside the United Kingdom (in Chapter 1 of Part 12A)	section 681AN”
“lease (in Chapter 1 of Part 12A)	section 681AL(2)”
“lease (in Chapter 2 of Part 12A)	section 681BM(2), (3)”
“lease (in Chapter 3 of Part 12A)	section 681CF”
“lease (in Chapter 4 of Part 12A)	section 681DN”
“lessee (in Chapter 2 of Part 12A)	section 681BM(4)”
“lessor (in Chapter 2 of Part 12A)	section 681BM(4)”
“linked (in relation to a person) (in Chapter 2 of Part 12A)	section 681BL”
“relevant asset (in Chapter 3 of Part 12A)	section 681CG”
“relevant asset (in Chapter 4 of Part 12A)	section 681DO”
“relevant deduction from earnings (in Chapter 1 of Part 12A)	section 681AC(2)”
“rent (in Chapter 1 of Part 12A)	section 681AL(3), (4)”
“rent (in Chapter 2 of Part 12A)	section 681BM(5)”
“sum obtained in respect of an interest in an asset (in Chapter 4 of Part 12A)	section 681DG”

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“sum obtained in respect of the lessee's interest in a section 681DH”
lease of an asset (in Chapter 4 of Part 12A)

Corporation Tax Act 2009 (c. 4)

262 CTA 2009 is amended as follows.

263 In section 97(4) (meaning of sale and lease-back arrangement) after “as is described in” insert “ section 681AA(1) or (2) or 681AB(1) or (2) of ITA 2007 or ”.

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