

## SCHEDULE 3

### AMENDMENTS TO FA 2002

## PART 2

### AMENDMENTS TO SCHEDULE 29 TO FA 2002

**10.** Schedule 29 to FA 2002 (gains and losses of a company from intangible fixed assets) is amended as follows.

**11.** In paragraph 85 (transfer of UK business between companies resident in different EU member States) omit sub-paragraph (1D)(1).

**12.**—(1) Paragraph 85A(2) (European cross-border merger: transfer of UK business) is amended as follows.

(2) In sub-paragraph (5) omit paragraph (d) (but not the “and” following it).

(3) Omit sub-paragraph (6).

(4) In sub-paragraph (8) for “the transfer” substitute “the merger”.

**13.**—(1) Paragraph 85B(3) (transparent entities) is amended as follows.

(2) In sub-paragraph (1)(a) for “to which paragraph 85(1) or (1A) applies (or to which either of those provisions would apply)” substitute “mentioned in paragraph 85(1) or (1A) (or which would be of such a kind”.

(3) In sub-paragraph (2) for “85(2)” substitute “85”.

(4) In sub-paragraph (4) for “assets” substitute “intangible fixed assets”.

(5) In sub-paragraph (5)(a) after “transfer”, in each place, insert “of those intangible fixed assets”.

**14.**—(1) Paragraph 85C (double taxation relief on European cross-border merger) is amended as follows.

(2) In sub-paragraph (1)(a) for “to which paragraph 85A(1) applies” substitute “mentioned in paragraph 85A(1)”.

(3) In sub-paragraph (2) for “85A(3) shall not apply” substitute “85A shall not apply in relation to the transfer”.

(4) In sub-paragraph (4) for “assets” substitute “intangible fixed assets”.

(5) In sub-paragraph (5)(a) after “transfer”, in each place, insert “of those intangible fixed assets”.

**15.**—(1) Paragraph 85D (interpretation of paragraphs 85B and 85C) is amended as follows.

(2) In sub-paragraph (1) for “85B and 85C” substitute “85, 85A, 85B, 85C, 87 and 87A and this paragraph”.

(3) In sub-paragraph (2) for “those paragraphs” substitute “paragraphs 85B and 85C”.

**16.**—(1) Paragraph 87 (transfer of non-UK business) is amended as follows.

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(1) Sub-paragraphs (1) to (1D) were substituted for sub-paragraph (1) by paragraph 21 of Schedule 1 to [S.I. 2007/3186](#).

(2) Paragraph 85A was inserted by section 52 of the Finance Act (No.2) Act 2005 and was substituted by paragraph 11 of Schedule 2 to [S.I. 2007/3186](#).

(3) Paragraphs 85B to 85D were inserted by paragraph 5 of Schedule 3 to [S.I. 2007/3186](#).

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(2) In sub-paragraph (2) for “those assets”, in the first place, substitute “the intangible fixed assets”.

(3) In sub-paragraph (3)(a) after “transfer” insert “of those intangible fixed assets”.

**17.**—(1) Paragraph 87A(4) (European cross-border merger: transfer of non-UK business) is amended as follows.

(2) In sub-paragraph (2) —

(a) omit “and” at the end of paragraph (f), and

(b) after paragraph (g) insert—

“and

(h) in the case of a merger to which sub-paragraph (1)(c) or (d) applies, in the course of the merger each transferor ceases to exist without being in liquidation (within the meaning given by section 247 of the Insolvency Act 1986 (c.55)).”.

(3) In sub-paragraph (5) omit paragraph (d) (but not the “and” following it).

**18.** In paragraph 88(1)(5) (procedure on application for clearance) for “85A(7)” substitute “85A(8)”.

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(4) Paragraph 87A was inserted by section 53 of the Finance (No 2) Act 2005 and was substituted by paragraph 12 of Schedule 2 to [S.I. 2007/3186](#).

(5) Paragraph 88(1) was amended by section 59(5) of the Finance (No. 2) Act 2005.