
STATUTORY INSTRUMENTS

2009 No. 2971

**The Mutual Societies (Transfers of
Business) (Tax) Regulations 2009**

PART 2

BUILDING SOCIETIES

Transfer of intangible fixed assets – further provisions

13.—(1) This regulation applies if—

- (a) there is a relevant transfer within regulation 3(1)(a), (b) or (e) which includes intangible fixed assets;
- (b) those assets are—
 - (i) chargeable intangible assets in relation to the transferor immediately before the relevant transfer; and
 - (ii) chargeable intangible assets in relation to the transferee immediately after the relevant transfer; and
- (c) the transfer of those assets is tax-neutral for the purposes of these Regulations or Part 8 of CTA (intangible fixed assets).

(2) If because of the relevant transfer a company ceases to be a member of the same group as the transferor, that event does not cause—

- (a) section 780 of CTA (deemed realisation and reacquisition at market value); or
- (b) section 785 of that Act (principal company becoming member of another group),

to apply as respects any assets acquired by the company from the transferor or any other member of the same group as the transferor.

(3) If the transferor and transferee are members of the same group at the time of the relevant transfer but later cease to be, that later event does not cause section 780 or 785 of CTA to apply in relation to any asset to which this regulation applies.

(4) Paragraph (3) applies to—

- (a) any asset acquired by the transferee on or before the relevant transfer from the transferor, or from any other member of the same group; or
- (b) any asset acquired from the transferor or from any other member of the same group by a company (other than the transferee) that is a member of that group at the time of the relevant transfer.

(5) Paragraph (6) applies if a company which is a member of the same group as the transferor at the time of the relevant transfer—

- (a) ceases to be a member of that group and becomes a member of the same group as the transferee, and
- (b) later ceases to be a member of that group.

(6) Section 780 of CTA (deemed realisation and reacquisition at market value) applies on that later event as if any asset to which this paragraph applies that has not been acquired from the transferee had been so acquired.

(7) Paragraph (6) applies to—

- (a) any asset acquired by the company referred to in paragraph (5) from the transferor when that company and the transferor were members of the same group, or
- (b) any asset acquired by the company referred to in paragraph (5) from another company which is a member of the same group at the time of the relevant transfer when the company referred to in paragraph (5), the transferor and the other company were members of the same group.

(8) Paragraph (6) does not apply if—

- (a) the company which acquired the asset is a 75% subsidiary of the company from which it was acquired or vice versa;
- (b) those companies cease simultaneously to be members of the same group as the transferee; and
- (c) those companies continue to be members of the same group as one another.