Finance Act, 2008

Section 65 - Intangible fixed assets: related parties

1) In Schedule 29 to FA 2002 (gains and losses of a company from intangible fixed assets), after paragraph 95 (meaning of "related party") insert- "Persons treated as "related parties" 95A (1) For the purposes of this Schedule, a person ("P") shall be treated as a related party in relation to a company ("C") within a Case in paragraph 95(1) if P would be a related party in relation to C within that Case but for any person (other than an individual) being the subject of- (a) insolvency arrangements, or (b) equivalent arrangements under the law of any country or territory (whether made when the person is solvent or insolvent). (2) For the purpose of this paragraph, "insolvency arrangements" includes- (a) arrangements under which a person acts as the liquidator, provisional liquidator, receiver, administrator or administrative receiver of a company or partnership, and (b) voluntary arrangements proposed or approved in relation to a company or partnership under Part 1 of the Insolvency Act 1986 or Part 2 of the Insolvency (Northern Ireland) Order 1989. (3) In this paragraph- "administrative receiver" means an administrative receiver within the meaning of section 251 of the Insolvency Act 1986 or Article 5(1) of the Insolvency (Northern Ireland) Order 1989, "administrator" means a person appointed to manage the affairs, business and property of the company or partnership under Schedule B1 to that Act or to that Order, and "receiver" means a person appointed as receiver of some or all of the property of the company or partnership under an enactment or under an instrument issued for the purpose of representing security for, or the rights of creditors in respect of, any debt." (2) Subject to subsections (4) and (5), the amendment made by subsection (1) has effect in relation to the debits and credits to be brought into account for accounting periods beginning on or after 12 March 2008. (3) For the purposes of subsection (2), an accounting period beginning before, and ending on or after, that day is treated as if so much of that period as falls before that day, and so much of that period as falls on or after that day, were separate periods. (4) The amendment made by subsection (1) does not have effect for the purpose of determining whether a person was a related party in relation to a company at a time before 12 March 2008. (5) That amendment has effect, for the purposes of paragraph 92 of Schedule 29 to FA 2002 as it applies otherwise than for determining the debits and credits to be brought into account under that Schedule, in relation to any transfer of an asset made on or after 12 March 2008.