Draft Order laid before Parliament under sections 1290 and 1294(6) of the Companies Act 2006, for approval by a resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2009 No.

TAXES
SOCIAL SECURITY

The Companies Act 2006 (Consequential Amendments) (Taxes and National Insurance) Order 2009

Made - - - -	*2009*
Coming into force - -	*1st October 2009*

The Treasury make this Order exercising the powers in section 1294 of the Companies Act 2006(**1**), and consider it necessary or expedient to do so in consequence of provision made by or under that Act.

A draft of this instrument was laid before Parliament and approved by a resolution of each House of Parliament in accordance with sections 1290 and 1294(6) of that Act.

Citation and commencement

1.—(1) This Order may be cited as the Companies Act 2006 (Consequential Amendments) (Taxes and National Insurance) Order 2009 and comes into force on 1 October 2009.

(2) It supplements section 1297 of the Companies Act 2006 (continuity of the law unaffected by repeal and re-enactment by that Act).

General

2.—(1) The Schedule has an index of the amendments articles 3 to 12 make to enactments.

(2) Those articles use the following abbreviations.

"FA" = the Finance Act;

"ICTA" = the Income and Corporation Taxes Act 1988;

"ITTOIA" = the Income Tax (Trading and Other Income) Act 2005;

"TCGA" = the Taxation of Chargeable Gains Act 1992;

"TMA" = the Taxes Management Act 1970;

(**1**) 2006 c. 46.

"VATA" = the Value Added Tax Act 1994.

Generic amendments of enactments: references to Companies Act 1985, etc

3.—(1) In the following enactments, substitute "2006" for "1985":—

(a) the Lottery Duty Regulations 1993, Schedule 1, Note of interpretation 2(**2**) (particulars of registered promoter application);

(b) the Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) Regulations 2006, regulation 9(4)(b)(**3**) (description: off market terms).

(2) Substitute "as defined in section 1(1) of the Companies Act 2006 (c. 46)" for:—

(a) in ICTA, section 234A(1)(a)(**4**) (information relating to distributions): everything from "within" to "1986";

(b) in the Income Tax Act 2007, section 853(3)(**5**) (deduction of income tax at source: meaning of "deposit-taker"): everything from "within" to "1985 (c. 6)";

(c) in TCGA, section 170(9)(a)(**6**) (groups of companies): everything from "within" to "Ireland".

(3) In the following enactments, substitute "any" for "the Companies Act 1985 or any other":—

(a) the Stamp Duty (Collection and Recovery of Penalties) Regulations 1999, Schedule, Part 2, entry for TMA section 108(2)(**7**) (responsibility of company officers);

(b) the Stamp Duty Reserve Tax Regulations 1986, Schedule, Part 2, entry for TMA section 108(2)(**8**) (responsibility of company officers);

(c) TMA, section 108(2)(**9**) (responsibility of company officers).

(4) In FA 2000, section 130(4)(**10**) (stamp duty: transfers to registered social landlords etc): substitute "2006" for "1985", and substitute "1" for "735(1)" .

(5) In the following enactments, substitute "1" for "735" or "735(1)", substitute "2006" for "1985", and omit everything from "or Article" to "1986":—

(a) FA 2003, section 66(6)(**11**) (stamp duty land tax: transfers involving public bodies);

(b) the Finance (No. 2) Act 1992, Schedule 12, paragraph 2(2)(a)(**12**) (direct taxes: banks etc in compulsory liquidation);

(c) ICTA, Schedule 25, Part 2, paragraph 11B(3)(**13**) (controlled foreign companies, etc).

(6) In ITTOIA, section 755(4), first indent (meaning for "company")(**14**) (interest on foreign currency securities etc owned by non-UK residents): substitute "1(1)" for "735(1)(a)", substitute "2006 (c. 46)" for "1985 (c. 6)", and omit everything from "or" to "(N.I. 6))".

(**2**) S.I. 1993/3212, to which there are amendments not relevant to this Order.
(**3**) S.I. 2006/1543, to which there are amendments not relevant to this Order.
(**4**) 1988 c. 1; section 234A(1) was inserted by the Finance (No. 2) Act 1992 (c. 48), section 32(1).
(**5**) 2007 c. 3.
(**6**) 1992 c. 12.
(**7**) S.I. 1999/2537, to which there are amendments not relevant to this Order.
(**8**) S.I. 1986/1711, to which there are amendments not relevant to this Order.
(**9**) 1970 c. 9; section 108(2) was amended by the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9), Schedule 2.
(**10**) 2000 c. 17.
(**11**) 2003 c. 14; section 66(6) was inserted by the Finance (No. 2) Act 2005 (c. 22), Schedule 10, Part 2, paragraph 18.
(**12**) 1992 c. 48.
(**13**) Schedule 25, Part 2, paragraph 11B(3) was inserted by the Finance Act 2003 (c. 14), Schedule 42, paragraph 4 and amended by S.I. 2008/954.
(**14**) 2005 c. 5.

(7) In the Income Tax (Incentive Payments for Voluntary Electronic Communication of PAYE Returns) Regulations 2003, regulation 4(2B)(a)(iii)(**15**) (small employers): omit everything from "or section 2" to "2002".

(8) In regulation 4(2B)(a)(iv) of those Regulations: omit "section 1 of", substitute "2006" for "1985", and omit everything from "or article 12" to "1986".

(9) In the Social Security (Contributions) Regulations 2001, regulation 1(2), meaning given for "company"(**16**): substitute "1" for "735", substitute "2006" for "1985", and substitute "that Act" for "the Companies Act 2006" and "those Acts".

Generic amendments of enactments: references about subsidiaries, etc

4.—(1) In the following enactments, substitute "1159 of and Schedule 6 to" for "736 of", and substitute "2006" for "1985":—

(a) the Climate Change Levy (Registration and Miscellaneous Provisions) Regulations 2001, regulation 6(3)(**17**) (groups), and in this regulation also substitute "those provisions" for "that section";

(b) FA 1994, section 63(9)(**18**) (groups: insurance premium tax), and in this section also substitute "those provisions" for "that section";

(c) FA 1996, section 59(9)(**19**) (groups: landfill tax), and in this section also substitute "those provisions" for "that section";

(d) FA 1997, Schedule 1, Part 1, paragraph 8(10)(b)(**20**) (groups: gaming duty);

(e) FA 2001, Schedule 9, paragraph 8(2)(b)(**21**) (groups: aggregates levy), and in this paragraph also substitute "c. 46" for "c. 6";

(f) the Inheritance Tax Act 1984, sections 13(5) (third indent, meaning for "subsidiary"), 103(2) and 234(3)(b)(**22**) (dispositions by close companies for benefit of employees; miscellaneous reliefs – business property; interest on instalments);

(g) the Income Tax (Earnings and Pensions) Act 2003, section 86(3), second indent (meaning for "subsidiary")(**23**) (transport vouchers), and in this section also substitute "c. 46" for "c. 6";

(h) the Landfill Tax Regulations 1996, regulation 33(9)(a)(**24**) (credit: bodies concerned with the environment);

(i) TCGA, section 239(7)(**25**) (disposals to trustees of employee trusts);

(j) VATA, section 43A(2)(**26**) (groups);

(k) the Value Added Tax (Groups: eligibility) Order 2004, article 3(5)(a)(**27**).

(2) In FA 2001, Schedule 9, paragraph 8(3): substitute "those provisions" for "section 736 of the Companies Act 1985".

(**15**) S.I. 2003/2495, amended by S.I. 2005/826; there is another amending instrument but it is not relevant.
(**16**) S.I. 2001/1004, amended by S.I. 2008/954; there are other amending instruments but none is relevant.
(**17**) S.I. 2001/7, to which there are amendments not relevant to this Order.
(**18**) 1994 c. 9.
(**19**) 1996 c. 8.
(**20**) 1997 c. 16.
(**21**) 2001 c. 9.
(**22**) 1984 c. 51; relevant amendments were made to these sections by the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9), Schedule 2 and the Companies Act 1989 (c. 40), Schedule 18. See too the Finance Act 1986 (c. 41), section 100(1) about the expression "inheritance tax" replacing "capital transfer tax".
(**23**) 2003 c. 1.
(**24**) S.I. 1996/1527, amended by S.I. 1999/3270; there are other amending instruments but none is relevant.
(**25**) The heading to section 239 was substituted by S.I. 2009/730.
(**26**) 1994 c. 23; section 43A was inserted by the Finance Act 1999 (c. 16), Schedule 2, paragraph 2.
(**27**) S.I. 2004/1931.

(3) In VATA, section 43A(3): substitute "those provisions" for "that section".

Amendments of enactments for references about accounts, reports, returns, etc

5.—(1) In ICTA, section 444BC(1)(**28**) (insurance companies: modification of rules about equalisation reserves for general business, etc): substitute as follows for everything from "paragraph 52" to "1985"—

"paragraphs 57 to 59 in Section E of Part 2 of Schedule 3 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008(**29**)

(2) In—

(a) ICTA, section 755B(2)(a)(**30**) (amendment of return where general insurance business of foreign company accounted for on non-annual basis), and

(b) FA 1998, Schedule 18, Part 10, paragraph 85(1), first indent(**31**) (company tax returns: non-annual accounting of general insurance business):

substitute as follows for everything from "paragraph 52" to "1985"—

"paragraph 58 in Section E of Part 2 of Schedule 3 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008".

(3) In ICTA, section 755B(2)(b): substitute "58" for "52".

(4) In ICTA, section 755B(4): substitute "58 of Schedule 3 to those Regulations" for everything from "52" to "1985".

6. After FA 2004, Schedule 11, Part 4, paragraph 14(**32**) (construction industry scheme: conditions for registration for gross payment): insert as follows—

"14A (1) For any part of the qualifying period falling on 1 October 2009 or later, paragraph 12(5) must be understood as referring instead to—

(a) the Companies Act 2006 (c. 46) sections 394, 395, 437 and 441 (accounts);

(b) sections 167(1), 167(2), 276(1) and 276(2) of that Act (changes in director or secretary);

(c) Part 24 of that Act (annual returns);

(d) regulations under Part 34 of that Act (overseas companies) which are about—

(i) registration of particulars,

(ii) accounts, reports or returns,

(iii) trading disclosures.

(2) For such part of the qualifying period, paragraph 12(6) must be disregarded and paragraphs 12(7)(a) and 12(8) understood as referring to sub-paragraphs (1) to (5) instead of (1) to (6).".

Amendments of enactments for references about shares, capital, securities, etc

7. FA 1986(**33**) is amended as follows—

(**28**) Section 444BC(1) was inserted by the Finance Act 1996 (c. 8), Schedule 32, paragraph 1 and amended by S.I. 2001/3629.
(**29**) S.I. 2008/410, to which there are amendments not relevant to this Order.
(**30**) Sections 755B(2) and 755B(4) were inserted by the Finance Act 1998 (c. 36), Schedule 17, paragraph 14.
(**31**) 1998 c. 36.
(**32**) 2004 c. 12.
(**33**) 1986 c. 41; sections 66(2) and 66(3) were amended, and sections 90(7A) and 92(1D) were inserted, by the Finance Act 2003 (c. 14), Schedule 40, paragraphs 2 to 4. Section 99(10) was amended by the Finance Act 1988 (c. 39), section 144(4); the Finance Act 1996 (c. 8), section 196(5); the Finance Act 1998 (c. 36), section 151(5); and the Finance Act 1999 (c. 16), section 118(2).