

**2011 No. 1431**

**CORPORATION TAX**

**The Corporation Tax (Implementation of the Mergers Directive)  
Regulations 2011**

<i>Made</i> - - - -	<i>7th June 2011</i>
<i>Laid before Parliament</i>	<i>8th June 2011</i>
<i>Coming into force</i> - -	<i>1st July 2011</i>

The Treasury are a government department designated(a) for the purposes of section 2(2) of the European Communities Act 1972(b) in relation to measures relating to the movement of capital and payments between Member States and between Member States and countries that are not Member States.

The Treasury make the following regulations in exercise of the powers conferred by section 2(2) of that Act.

**Citation and commencement**

1.—(1) These regulations may be cited as the Corporation Tax (Implementation of the Mergers Directive) Regulations 2011.

(2) These regulations come into force on 1st July 2011.

**Amendment of the Taxation of Chargeable Gains Act 1992**

2.—(1) The Taxation of Chargeable Gains Act 1992(c) is amended as follows.

(2) In section 140H(2)(a)(d) (share exchanges: meaning of “company”) for “the Annex” substitute “Part A of Annex I”.

(3) In section 140L(1)(e) (interpretation of sections 140A to 140L)—

(a) in paragraph (a) from “90/434/EEC” to the end substitute “2009/133/EC,” and

(b) in paragraphs (b) and (c) for “the Annex” substitute “Part A of Annex I”.

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(a) S.I. 1994/757.

(b) 1972 c. 68. Section 2(2) was amended by section 27(1)(a) of the Legislative and Regulatory Reform Act 2006 (c. 51) and Part 1 of the Schedule to the European Union (Amendment) Act 2008 (c. 7).

(c) 1992 c. 12.

(d) Section 140H(2)(a) was inserted by paragraph 1 of Schedule 3 to the Corporation Tax (Implementation of the Mergers Directive) Regulations 2007 (S.I. 2007/3186).

(e) Section 140L(1) was inserted by paragraph 1 of Schedule 3 to the Corporation Tax (Implementation of the Mergers Directive) Regulations 2007.

### **Amendment of the Finance Act 2007**

3. In section 110(4) of the Finance Act 2007(a) (Mergers Directive: regulations), in the definition of “the Mergers Directive” for “90/434/EEC” substitute “2009/133/EC”.

### **Amendment of the Corporation Tax Act 2009**

4.—(1) The Corporation Tax Act 2009(b) is amended as follows.

(2) In section 430(1) (interpretation: meaning of “company”) for “the Annex” substitute “Part A of Annex I”.

(3) In section 439(1) (interpretation), in the definition of “company” for “the Annex” substitute “Part A of Annex I”.

(4) In section 681(1) (interpretation: meaning of “company”) for “the Annex” substitute “Part A of Annex I”.

(5) In section 688(1) (interpretation), in the definition of “company” for “the Annex” substitute “Part A of Annex I”.

(6) In section 819(5)(a) (European cross-border transfers of business: introduction: meaning of “company”) for “the Annex” substitute “Part A of Annex I”.

(7) In section 823(5) (interpretation of sections 821 and 822: references to a company) for “the Annex” substitute “Part A of Annex I”.

(8) In section 1319 (other definitions), in the definition of “the Mergers Directive” from “(EEC)” to the end substitute “2009/133/EC”.

### **Amendment of the Taxation (International and Other Provisions) Act 2010**

5. In section 123 of the Taxation (International and Other Provisions) Act 2010(c) (interpretation of sections 116 to 122)—

(a) in the definition of “company” for “the Annex” substitute “Part A of Annex I”, and

(b) in the definition of “the Mergers Directive” from “90/434/EEC” to the end substitute “2009/133/EC”.

7th June 2011

*Michael Fabricant*  
*Angela Watkinson*  
Two of the Lords Commissioners of Her Majesty’s Treasury

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(a) 2007 c. 11.  
(b) 2009 c. 4.  
(c) 2010 c. 8.

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

The Regulations make consequential amendments to corporate tax legislation to take account of Council Directive 2009/133/EC. The Acts affected are the Taxation of Chargeable Gains Act 1992 (c. 12) (regulation 2), the Finance Act 2007 (c. 11) (regulation 3), the Corporation Tax Act 2009 (c. 4) (regulation 4) and the Taxation (International and Other Provisions) Act 2010 (c. 8) (regulation 5).

This is for the purpose of implementing the codifying Directive 2009/133/EC of the Council of the European Union of 19 October 2009 on cross border mergers of limited liability companies (OJ L 310 25.11.2009, p. 34) (“the Mergers Directive”).

A transposition note has been prepared, which sets out how the main elements of the Mergers Directive have been transposed into UK law and is available from the CTIAA Directorate, HM Revenue and Customs (“HMRC”), 100 Parliament Street, London SW1A 2HQ. It is also available on the HMRC website ([www.hmrc.gsi.gov.uk](http://www.hmrc.gsi.gov.uk)) and a copy has been placed in the Library of the House of Commons.

In line with government commitments, a Tax Information and Impact Note has not been prepared for this instrument as it gives effect to previously announced policy.

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