

Beta This part of GOV.UK is being rebuilt – [find out what beta means \(/help/beta\)](#)

HMRC internal manual

Corporate Intangibles Research and Development Manual

From: [HM Revenue & Customs](#)
([/government/organisations/hm-revenue-customs](#))

Published 11 March 2016

Updated: 10 September 2025 - [See all updates](#)

[Back to contents](#) > [CIRD10000](#) > [CIRD48000](#)

CIRD48110 - Intangible assets: avoidance: tax-driven transactions: outline of provision

CTA09/S864

CTA09/S864 is aimed at ‘tax avoidance arrangements’. That is to say arrangements which, as their main object or one of their main objects, enable a company:

- to obtain greater deductible debits under CTA09/PART8 than would otherwise have been

due,

- to reduce the amount of the taxable credits brought into account under CTA09/PART8.

Until 20 June 2003, CTA09/S864 (then enacted as FA02/SCH29/PARA111) had a more restricted scope - see [CIRD48230 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird48230\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird48230).

‘Arrangements’ are defined in broad terms to include ‘any scheme, agreement or understanding, whether or not legally enforceable’.

Where tax avoidance arrangements, as defined, are found to exist they are to be disregarded for the purposes of CTA09/PART8.

Points to note

- ‘Object’ in this context carries essentially the same meaning as ‘purpose’. The purpose of arrangements is the purpose in the minds of the people involved in them. In that sense, the concept is subjective. The purpose cannot simply be equated with the effect of transactions. Equally, however, purpose is not simply determined by the assertion of those involved. All the evidence has to be considered, including the surrounding circumstances including the effect of the transactions. See BIM42100 onwards.
- Whether tax avoidance (as defined) is a main purpose of a transaction etc is discussed in [CIRD48130 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird48130\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird48130).

← **Previous page**
(/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird48105)

→ **Next page**
(/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird48120)



OGL

All content is available under the Open Government Licence v3.0, except where otherwise stated



© Crown copyright