

Groups of companies: interpretation. CTA76 s129(1) to (6)(b); FA90 s58 616.—(1) For the purposes of this section and of the following sections of this Part—

(a) references to a company shall, subject to section 621 (1), apply only to a company, as limited by subsection (2), which is resident in the State;

(b) a principal company and all its 75 per cent subsidiaries shall form a group, and where a principal company is a member of a group as being itself a 75 per cent subsidiary that group shall comprise all its 75 per cent subsidiaries;

(c) “principal company” means a company of which another company is a 75 per cent subsidiary;

(d) in applying the definition of “75 per cent subsidiary” in section 9, any share capital of a registered industrial and provident society shall be treated as ordinary share capital;

(e) “group” and “subsidiary” shall be construed with any necessary modifications where applied to a company incorporated under the law of a country outside the State.

(2) For the purposes of this section and of the following sections of this Part, references to a company shall apply only to—

(a) a company within the meaning of the Companies Act, 1963 ,

(b) a company constituted under any other Act or a charter or letters patent or (although resident in the State) formed under the law of a country or territory outside the State,

(c) a registered industrial and provident society, being a society within the meaning of section 698, and

(d) a building society incorporated or deemed by virtue of section 124(2) of the Building Societies Act, 1989 , to be incorporated under that Act.

(3) For the purposes of this section and of the following sections of this Part, a group shall remain the same group so long as the same company remains the principal company of the group and, if at any time the principal company of a group becomes a 75 per cent subsidiary of another company, the group of which it was the principal company before that time shall be regarded as the same as the group of which that other company is the principal company or a 75 per cent subsidiary, and the question whether or not a company has ceased to be a member of a group shall be determined accordingly.

(4) For the purposes of this section and of the following sections of this Part, the passing of a resolution or the making of an order or any other act for the winding up of a company shall not be regarded as the occasion of that company or of any 75 per cent subsidiary of that company ceasing to be a member of a group of companies.

(5) (a) The following sections of this Part, except in so far as they relate to the recovery of tax, shall also apply in relation to bodies from time to time established by or under any enactment for the carrying on of any industry or part of an industry, or of any undertaking, under national ownership or control as if—

(i) such bodies were companies within the meaning of those sections,

(ii) any such bodies charged with related functions and subsidiaries of any of them formed a group, and

(iii) any 2 or more such bodies charged at different times with the same or related functions were members of a group.

(b) Paragraph (a) shall apply subject to any enactment by virtue of which property, rights, liabilities or activities of one such body mentioned in that paragraph are to be treated for corporation tax as those of another such body.

(6) For the purposes of this Part—

(a) section 557 and all other provisions for apportioning on a part disposal expenditure which is deductible in computing a gain shall be operated before the operation of and without regard to—

(i) section 617(1), and

(ii) any other enactment making an adjustment to secure that neither a gain nor a loss occurs on a disposal;

(b) section 589 shall not apply where the transfer is a disposal to which section 617 (1) applies.