

Interpretation of Corporation Tax Acts. CTA76 s1(5)(a) to (d), s155(5), (9), (10), (11), (12) and (13); FA86 s57(1); FA90 s29(4); FA93 s42; FA97 s37(1) 4.—(1) In the Corporation Tax Acts, except where the context otherwise requires—

“accounting date” means the date to which a company makes up its accounts, and “period of account” means the period for which a company does so;

“allowable loss” does not include, for the purposes of corporation tax in respect of chargeable gains, a loss accruing to a company in such circumstances that if a gain accrued the company would be exempt from corporation tax in respect of the gain;

“branch or agency” means any factorship, agency, receivership, branch or management;

“chargeable gain” has the same meaning as in the Capital Gains Tax Acts, but does not include a gain accruing on a disposal made before the 6th day of April, 1976;

“charges on income” has the meaning assigned to it by section 243 (1);

“close company” has the meaning assigned to it by sections 430 and 431;

“company” means any body corporate and includes a trustee savings bank within the meaning of the Trustee Savings Banks Act, 1989 , but does not include—

(a) a health board,

(b) a grouping within the meaning of section 1014,

(c) a vocational educational committee established under the Vocational Education Act, 1930 ,

(d) a committee of agriculture established under the Agriculture Act, 1931 , or

(e) a local authority, and for this purpose “local authority” has the meaning assigned to it by section 2 (2) of the Local Government Act, 1941 , and includes a body established under the Local Government Services (Corporate Bodies) Act, 1971 ;

“distribution” has the meaning assigned to it by Chapter 2 of Part 6 and sections 436 and 437;

“the financial year” followed by a reference to the year 1996 or any other year means the year beginning on the 1st day of January of such year;

“franked investment income” and “franked payment” shall be construed in accordance with section 156;

“group relief” has the meaning assigned to it by section 411;

“interest” means both annual or yearly interest and interest other than annual or yearly interest;

“preference dividend” means a dividend payable on a preferred share or preferred stock at a fixed rate per cent or, where a dividend is payable on a preferred share or preferred stock partly at a fixed rate per cent and partly at a variable rate, such part of that dividend as is payable at a fixed rate per cent;

“profits” means income and chargeable gains;

“standard credit rate” for a year of assessment means 21 per cent, and accordingly “standard credit rate per cent” for a year of assessment means 21;

“standard rate per cent” for a year of assessment means 26 where the standard rate for that year is 26 per cent and similarly as regards any reference to the standard rate per cent for a year of assessment for which the standard rate is other than 26 per cent;

“trade” includes vocation and includes also an office or employment.

(2) Except where otherwise provided by the Corporation Tax Acts and except where the context otherwise requires, words and expressions used in the Income Tax Acts have the same meaning in the Corporation Tax Acts as in those Acts; but no provision of the Corporation Tax Acts as to the interpretation of any word or expression, other than a provision expressed to extend to the use of that word or expression in the Income Tax Acts, shall be taken to affect its meaning in those Acts as they apply for the purposes of corporation tax.

(3) References in the Corporation Tax Acts to distributions or payments received by a company apply to any distributions or payments received by another person on behalf of or in trust for the company but not to any distributions or payments received by the company on behalf of or in trust for another person.

(4) References in the Corporation Tax Acts to—

(a) profits brought into charge to corporation tax are references to the amount of those profits chargeable to corporation tax before any deduction from those profits for charges on income, expenses of management or other amounts which can be deducted from or set against or treated as reducing profits of more than one description,

(b) total income brought into charge to corporation tax are references to the amount, calculated before any deduction mentioned in paragraph (a), of the total income from all sources included in any profits brought into charge to corporation tax, and

(c) an amount of profits on which corporation tax falls finally to be borne are references to the amount of those profits after making all deductions and giving all reliefs that for the purposes of corporation tax are made or given from or against those profits, including deductions and reliefs which under any provision are treated as reducing them for those purposes.

(5) For the purposes of the Corporation Tax Acts, except where otherwise provided, dividends shall be

treated as paid on the date when they become due and payable.

(6) Except where otherwise provided by the Corporation Tax Acts, any apportionment to different periods to be made under the Corporation Tax Acts shall be made on a time basis according to the respective lengths of those periods.