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STATUTORY INSTRUMENTS

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**2007 No. [jklm]**

**CORPORATION TAX**

**INCOME TAX**

**The Sale and Repurchase of Securities (Amendment of  
Instruments) Order 2007**

*Made* - - - - - [day] [month] 2007

*Laid before the House of Commons* [day] [month] 2007

*Coming into force* - - - - - 1st October 2007

The Treasury make the following Order in exercise of the powers conferred by section 47(3) and (5) of the Finance Act 2007(a).

**Citation and commencement**

1. This Order may be cited as the Sale and Repurchase of Securities (Amendment of Instruments) Order 2007, shall come into force on 1st October 2007, and shall have effect in relation to arrangements entered into on or after that day.

**Amendment of the Manufactured Overseas Dividends (French Indemnity Payments) Regulations 1996 (S.I. 1996/1826)**

2.—(1) The Manufactured Overseas Dividends (French Indemnity Payments) Regulations 1996 are amended as follows.

(2) In regulation 2 (interpretation) for paragraph (3) substitute—

“(3) For the purposes of the Income Tax Acts references in these Regulations to “the sale and repurchase of French equities” include an arrangement which—

- (a) involves the sale of French equities and the subsequent purchase of French equities, and
- (b) is a repo.

(4) In paragraph (3) “repo” shall be construed in accordance with section 569 of the Income Tax Act 2007(b) (read, if appropriate, with the modifications made by the Sale and Repurchase of Securities (Modification of Enactments) Regulations 2007(c)).

(5) For the purposes of the Corporation Tax Acts references in these Regulations to “the sale and repurchase of French equities” include an arrangement which—

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(a) 2007 c. 11.  
(b) 2007 c. 3.  
(c) S.I. 2007/[efgh].

(a) involves the sale of French equities and the subsequent purchase of French equities, and

(b) is a debtor repo, a debtor quasi-repo, a creditor repo or a creditor quasi-repo.

(6) In paragraph (5) “debtor repo”, “debtor quasi-repo”, “creditor repo” and “creditor quasi-repo” shall be construed in accordance with Schedule 13 to the Finance Act 2007 (read, if appropriate, with the modifications made by the Sale and Repurchase of Securities (Modification of Schedule 13 to the Finance Act 2007) Regulations 2007(a)).”.

#### **Amendment of the European Single Currency (Taxes) Regulations 1998 (S.I. 1998/3177)**

3.—(1) The European Single Currency (Taxes) Regulations 1998(b) are amended as follows.

(2) In regulation 14 (replacement of securities in a euroconversion) after paragraph (3) insert—

“(4) The new securities which replace the old securities shall be regarded as similar securities for the purposes of paragraphs 2 and 7 of Schedule 13 to the Finance Act 2007.

(5) In paragraph (4) the reference to similar securities shall be construed in accordance with paragraph 14(4) of Schedule 13 to the Finance Act 2007.”.

(3) Regulation 19 (euroconversion – loan relationships consequences) is revoked.

#### **Amendment of the Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) Regulations 2006 (S.I. 2006/1543)**

4.—(1) The Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) Regulations 2006 are amended as follows.

(2) In regulation 9(2) (description 4: off market terms: financial products), after subparagraph (c) insert—

“(ca) an arrangement which is a debtor repo, a debtor quasi-repo, a creditor repo or a creditor quasi-repo (within the meanings given by Schedule 13 to the Finance Act 2007);”.

#### **Revocation of the Sale and Repurchase of Securities (Modification of Enactments) Regulations 1995 (S.I. 1995/3220)**

5. The Sale and Repurchase of Securities (Modification of Enactments) Regulations 1995 are revoked.

[day] [month] 2007 [abc]  
[def]  
Two of the Lords Commissioners of Her Majesty’s Treasury

#### **EXPLANATORY NOTE**

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

[To follow.]

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(a) S.I. 2007/[abcd].

(b) S.I. 1998/3177, to which there are amendments not relevant to these Regulations.