

**Tax Law Rewrite  
Response to Paper  
CC/SC (09) 14  
Section 59(3) of ICTA**

This document is available on the internet at:

<http://www.hmrc.gov.uk/rewrite>

2 October 2009

### **Section 59(3) of ICTA**

1. In July 2009 we published Committee Paper CC/SC (09) 14 on the HMRC internet website [www.hmrc.gov.uk](http://www.hmrc.gov.uk). The closing date for responses was 22 September 2009. The paper proposes repealing section 59(3) of the Income and Corporation Taxes Act 1988 (ICTA) (together with section 59(4) of ICTA) without rewriting it.

2. The purpose of this response document is to provide details of the substantive technical points made and to explain our analysis and proposals in respect of them. Minor points, such as suggestions to improve punctuation are not specifically mentioned in our response but all comments have been carefully considered.

3. We received a written response from the Institute of Chartered Accountants in England and Wales, which related to a question we asked, as detailed below.

4. We are very grateful for this response and are sending the respondent a copy of this document.

#### ***Q1. We welcome comments on the proposal not to rewrite section 59(3) of ICTA.***

5. The respondent supported the proposal to repeal section 59(3) of ICTA (together with section 59(4) of ICTA) without rewriting it.

6. The respondent commented that “where s 59(3) ICTA would not apply, we assume that the third sentence in the fifth paragraph of Change 747 is simply a general statement that s 59(3) ICTA (where it might apply) has not recently been relied on.”

7. So far as we are aware, on the basis of the checks we have made, section 59(3) has not recently been relied on.