



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 13

#### TAX AVOIDANCE

### CHAPTER 2

#### TRANSFER OF ASSETS ABROAD

*Exemptions: no tax avoidance purpose or genuine commercial transaction*

**737 Exemption: all relevant transactions post-4 December 2005 transactions**

- (1) This section applies if all the relevant transactions are post-4 December 2005 transactions.
- (2) An individual is not liable to income tax under this Chapter for the tax year by reference to the relevant transactions if the individual satisfies an officer of Revenue and Customs—
  - (a) that Condition A is met, or
  - (b) in a case where Condition A is not met, that Condition B is met.
- (3) Condition A is that it would not be reasonable to draw the conclusion, from all the circumstances of the case, that the purpose of avoiding liability to taxation was the purpose, or one of the purposes, for which the relevant transactions or any of them were effected.
- (4) Condition B is that—
  - (a) all the relevant transactions were genuine commercial transactions (see section 738), and
  - (b) it would not be reasonable to draw the conclusion, from all the circumstances of the case, that any one or more of those transactions was more than incidentally designed for the purpose of avoiding liability to taxation.

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**Changes to legislation:** *There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

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- (5) In determining the purposes for which the relevant transactions or any of them were effected, the intentions and purposes of any person within subsection (6) are to be taken into account.
- (6) A person is within this subsection if, whether or not for consideration, the person—
- (a) designs or effects, or
  - (b) provides advice in relation to,
- the relevant transactions or any of them.
- (7) In this section—
- “revenue” includes taxes, duties and national insurance contributions,
  - “taxation” includes any revenue for whose collection and management the Commissioners for Her Majesty's Revenue and Customs are responsible.
- (8) If—
- (a) apart from this subsection, an associated operation would not be taken into account for the purposes of this section, and
  - (b) the conditions in subsections (2) to (4) are not met if it is taken into account, because of—
    - (i) the associated operation, or
    - (ii) the associated operation taken together with any other relevant transactions,
- it must be taken into account for those purposes.

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 24B inserted by [2023 c. 30 Sch. 2 para. 10\(3\)](#)
- s. 788(7) inserted by [2007 c. 29 Sch. 21 para. 161\(b\)](#) (The amending provision was repealed before coming into force.)