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| Stage 1 | Was there a loan in existence at any time in the final 30 days of AP One? | If yes then go to stage 2 ‘Has any part of that loan been repaid’ |
|  |  | If ‘no’ then go to stage 4 ‘was there a loan before the final 30 days of AP One which had been repaid’ |
| Stage 2 | Has any part of that loan been repaid? | If ‘Yes’ then go to stage 3a |
|  |  | If ‘No’ then s464C will not apply |
| Stage 3a | Has £5k or more been repaid in AP One or before the due date for the payment of s455 tax for AP One? | If ‘Yes’ then go to stage 3b ‘Has £5k or more been reborrowed by a participator or associate?’ |
|  |  | If ‘No’ then go to stage 5 ‘did the loan balance immediately before repayment amount to £15k or more?’ |
| Stage 3b | Has £5k or more been reborrowed by a participator or associate? | If ‘Yes’ then go to stage 3c ‘was the reborrowing within 30 days’ |
|  |  | If ‘No’ then s464C will not apply |
| Stage 3c | ‘Was the reborrowing within 30 days?’ | If ‘Yes’ then go to stage 3d ‘Did the reborrowing occur in an AP subsequent to that in which the loan was made?’ |
|  |  | If ‘No’ then go to stage 5 ‘did the loan balance immediately before repayment amount to £15k or more?’ |
| Stage 3d | ‘Did the reborrowing occur in an AP subsequent to that in which the loan was made?’ | If ‘Yes’ then go to stage 3e ‘was any part of the reborrowing repaid within the 30 day period?’ |
|  |  | If ‘No’ then go to stage 5 ‘did the loan balance immediately before repayment amount to £15k or more?’ |
| Stage 3e | ‘Was any part of the reborrowing repaid within 30 days?’ | If ‘Yes’ then s464C will not apply to the repaid element of the reborrowing. |
|  |  | If ‘No’ then go to stage 3f ‘has any part of the reborrowing already been subject to s464C(1) for a different period?’ |
| Stage 3f | ‘Has any part of the reborrowing already been subject to s464C (1) for a different 30 day period?’ | If ‘Yes’ then s464C(1) will not apply again to that part of the reborrowing. |
|  |  | If ‘No’ or if there is a balance of the reborrowing to which s464C(1) has not applied, go to stage 3g ‘Did the making of the repayment give rise to a charge to tax on the participator (or their associate) borrower? |
| Stage 3g | ‘Did the making of the repayment give rise to a charge to tax on the participator (or their associate) borrower?’ | If ‘Yes’ then s464C(1) will not apply. |
|  |  | If ‘No’ S464C(1) applies. The repayment is matched to the subsequent reborrowing in priority to the earlier borrowing. |
| Stage 4 | ‘was there a loan before the final 30 days of AP One which had been repaid’ | If ‘Yes’ then go to Stage 5 ‘Did the loan balance immediately before repayment amount to £15k or more?’ |
|  |  | If ‘No’ then s464C cannot apply |
| Stage 5 | ‘Did the loan balance immediately before repayment amount to £15k or more?’ | If ‘Yes’ then go to stage 6a ‘Had an arrangement for reborrowing been in existence at the time of any loan repayment?’ |
|  |  | If ‘No’ then s464C cannot apply |
| Stage 6a | ‘Had an arrangement for reborrowing been in existence at the time of any loan repayment?’ | If ‘Yes’ then go to Stage 6b ‘Have new loans totalling £5k or more been made to the participator or their associate?’ |
|  |  | If ‘No’ then s464C cannot apply |
| Stage 6b | ‘Have new loans totalling £5k or more been made to the participator or their associate?’ | If ‘Yes’ then go to stage 6c ‘Were at least £5K of those new loans made under arrangements that existed at the time of the repayment?’ |
|  |  | If ‘No’ then s464C cannot apply |
| Stage 6c | ‘Were at least £5K of those new loans made under arrangements that existed at the time of the repayment?’ | If ‘Yes’ then go to Stage 6d ‘Have any of the new loans already been subject to s464C(1) or (3)?) |
|  |  | If ‘No’ then s464C cannot apply |
| Stage 6d | ‘Have any of the new loans already been subject to s464C(1) or (3)’ | If ‘Yes’ then s464C will not apply to those amounts |
|  |  | If ‘No’ or if there is a balance of the loans which has not been subject to s464C, then go to stage 6c ‘Did the making of the repayment give rise to a charge to tax on the participator (or their associate) borrower?’ |
| Stage 6d | ‘Did the making of the repayment give rise to a charge to tax on the participator (or their associate) borrower?’ | If ‘Yes’ then s464C will not apply |
|  |  | If ‘No’ s464C(3) applies. The repayment is matched to the subsequent pre-arranged reborrowing in priority to the earlier borrowing. |