

Capital markets

75. (1) A holder of a Capital Markets Services Licence and holders of a Capital Markets Services Representative's Licence shall be treated as a single entity for the purposes of registration under this Act:

Provided that the holder of a Capital Markets Services Licence is a taxable person.

(2) The registration of the single entity shall be in the name of the holder of the Capital Markets Services Licence and the holder of the Capital Markets Services Licence shall be the lead member of the single entity.

(3) Where the holder of a Capital Markets Services Licence and holder of a Capital Markets Services Representative's Licence have been registered as a single entity—

- (a) the holders of the Capital Markets Services Representative's Licence shall be members of the single entity;
- (b) any taxable supply of goods or services in carrying on a business of dealing in securities or dealing in derivatives between members and lead member of the single entity shall be disregarded;
- (c) any business of dealing in securities or dealing in derivatives transacted by a member of the single entity shall be treated as a supply made by the lead member;
- (d) any supply of goods and services in carrying on a business of dealing in securities or dealing in derivatives made to a member of the single entity shall be treated as a supply made to the lead member;
- (e) the lead member of the single entity shall maintain separate account for each member of his single entity;
- (f) the lead member of the single entity shall be liable on any taxable supply made by the single entity in carrying on a business of dealing in securities or dealing in derivatives;
- (g) any input tax allowable to any member of the single entity in carrying on a business of dealing in securities or dealing in derivatives shall be claimed by the lead member on behalf of the members of the single entity.

(4) For the purposes of this section—

- (a) "Capital Markets Services Licence" has the meaning assigned to it in the Capital Markets and Services Act 2007 [Act 671];
- (b) "Capital Markets Services Representative's Licence" has the meaning assigned to it in the Capital Markets and Services Act 2007.