



# Taxation (International and Other Provisions) Act 2010

## CHAPTER 8

### TAXATION (INTERNATIONAL AND OTHER PROVISIONS) ACT 2010

#### PART 1

##### OVERVIEW

- 1 Overview of Act

#### PART 2

##### DOUBLE TAXATION RELIEF

#### CHAPTER 1

##### DOUBLE TAXATION ARRANGEMENTS AND UNILATERAL RELIEF ARRANGEMENTS

###### *Double taxation arrangements*

- 2 Giving effect to arrangements made in relation to other territories
- 3 Arrangements may include retrospective or supplementary provision
- 4 Meaning of “double taxation” in sections 2 and 3
- 5 Orders under section 2: contents and procedure
- 6 The effect given by section 2 to double taxation arrangements
- 7 General regulations

###### *Unilateral relief arrangements*

- 8 Interpretation: “unilateral relief arrangements” means rules 1 to 9, etc
- 9 Rule 1: the unilateral entitlement to credit for non-UK tax

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 10 Rule 2: accrued income profits
- 11 Rule 3: interaction between double taxation arrangements and rules 1 and 2
- 12 Rule 4: cases in which, and calculation of, credit allowed for tax on dividends
- 13 Rule 5: credit for tax charged directly on dividend
- 14 Rule 6: credit for underlying tax on dividend paid to 10% associate of payer
- 15 Rule 7: credit for underlying tax on dividend paid to sub-10% associate
- 16 Rule 8: credit for underlying tax on dividend paid by exchanged associate
- 17 Rule 9: credit in relation to dividends for spared tax

## CHAPTER 2

### DOUBLE TAXATION RELIEF BY WAY OF CREDIT

#### *Effect to be given to credit for foreign tax allowed against UK tax*

- 18 Entitlement to credit for foreign tax reduces UK tax by amount of the credit
- 19 Time limits for claims for relief under section 18(2)
- 20 Foreign tax includes tax spared because of international development relief

#### *Interpretation of Chapter*

- 21 Meaning of “the arrangements”, “the non-UK territory”, “foreign tax” etc

#### *Credits where same income charged to income tax in more than one tax year*

- 22 Credit for foreign tax on overlap profit if credit for that tax already allowed
- 23 Time limits for claims for relief under section 22(2)
- 24 Claw-back of relief under section 22(2)

#### *Cases in which credit not allowed*

- 25 Credit not allowed if relief allowed against overseas tax
- 26 Credit not allowed under arrangements unless taxpayer is UK resident
- 27 Credit not allowed if person elects against credit

#### *Exceptions to requirement to be UK resident*

- 28 Unilateral relief for Isle of Man or Channel Islands tax
- 29 Unilateral relief for tax on income from employment or office
- 30 Unilateral relief for non-UK tax on non-resident's UK branch or agency etc

#### *Calculating income or gains in respect of which credit is allowed*

- 31 Calculation of income or gain where remittance basis does not apply
- 32 Calculation of amount received where UK tax charged on remittance basis

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

*Limits on credit: general rules*

- 33 Limit on credit: minimisation of the foreign tax
- 34 Reduction in credit: payment by reference to foreign tax
- 35 Disallowed credit: use as a deduction

*Limit on, and reduction of, credit against income tax*

- 36 Amount of limit
- 37 Credit against tax on trade income: further rules
- 38 Credit against tax on royalties: further rules
- 39 Credit reduced by reference to accrued income losses

*Limit on credit against capital gains tax*

- 40 Amount of limit

*Limit on total credit against income tax and capital gains tax*

- 41 Amount of limit

*Limit on credit against corporation tax*

- 42 Amount of limit
- 43 Profits attributable to permanent establishment for purposes of section 42(2)
- 44 Credit against tax on trade income
- 45 Credit against tax on trade income: anti-avoidance rules
- 46 Applying section 44(2): asset in hedging relationship with derivative contract
- 47 Applying section 44(2): royalty income
- 48 Applying section 44(2): “portfolio” of transactions, arrangements or assets
- 49 Restricting section 44(3) if company is a bank or connected with a bank

*Calculating tax for purposes of section 42(2)*

- 50 Tax for period on loan relationships
- 51 Tax for period on intangible fixed assets

*Allocation of deductions etc to profits for purposes of section 42*

- 52 General deductions
- 53 Earlier years' non-trading deficits on loan relationships
- 54 Non-trading debits on loan relationships
- 55 Current year's non-trading deficits on loan relationships
- 56 Non-trading debits on intangible fixed assets

*Taking account of foreign tax underlying dividends*

- 57 Credit in respect of dividend: taking account of underlying tax
- 58 Calculation if dividend paid by non-resident company to resident company
- 59 Meaning of “relevant profits” in section 58
- 60 Underlying tax to be left out of account on claim to that effect
- 61 Calculation if section 58 does not apply
- 62 Meaning of “relevant profits” in section 61

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

*Taking account of tax underlying dividends that is not foreign tax*

- 63 Non-UK company dividend paid to 10% investor: relief for UK and other tax

*Tax underlying dividend treated as underlying tax paid by dividend's recipient*

- 64 Meaning of “dividend-paying chain” of companies  
65 Relief for underlying tax paid by company lower in dividend-paying chain  
66 Limitations on section 65(4)

*Tax underlying dividends: restriction of relief, and particular cases*

- 67 Restriction of relief if underlying tax at rate higher than rate of corporation tax  
68 Meaning of “avoidance scheme” in section 67  
69 Dividends paid out of transferred profits  
70 Underlying tax reflecting interest on loans  
71 Foreign taxation of group as single entity

*Unrelieved foreign tax on profits of overseas permanent establishment*

- 72 Application of section 73(1)  
73 Carry-forward and carry-back of unrelieved foreign tax  
74 Rules for carrying back unrelieved foreign tax  
75 Two or more establishments treated as a single establishment  
76 Former and subsequent establishments regarded as distinct establishments  
77 Claims for relief under section 73(1)  
78 Meaning of “overseas permanent establishment”

*Action after adjustment of amount payable by way of UK or foreign tax*

- 79 Time limits for action if tax adjustment makes credit excessive or insufficient  
80 Duty to give notice that adjustment has rendered credit excessive

*Schemes and arrangements designed to increase relief: anti-avoidance*

- 81 Giving a counteraction notice  
82 Conditions for the purposes of section 81(1)  
83 Schemes and arrangements referred to in section 82(4)  
84 Section 83(2) and (4): schemes enabling attribution of foreign tax  
85 Section 83(2) and (4): schemes about effect of paying foreign tax  
86 Section 83(2) and (4): schemes about claims or elections etc  
87 Section 83(2) and (4): schemes that would reduce a person's tax liability  
88 Section 83(2) and (4): schemes involving tax-deductible payments  
89 Contents of counteraction notice  
90 Consequences of counteraction notices  
91 Counteraction notices given before tax return made  
92 Counteraction notices given after tax return made  
93 Amendment, closure notices and discovery assessments in section 92 cases  
94 Information made available for the purposes of section 92(4)  
95 Interpretation of sections 89 to 94

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

### *Insurance companies*

- 96 Companies with overseas branches: restriction of credit
- 97 Companies with more than one category of business: restriction of credit
- 98 Attribution for section 97 purposes if category is gross roll-up business
- 99 Allocation of expenses etc in calculations under section 35 of CTA 2009
- 100 First limitation for purposes of section 99(2)
- 101 Second limitation for purposes of section 99(2)
- 102 Interpreting sections 99 to 101 for life assurance or gross roll-up business
- 103 Interpreting sections 99 to 101 for other insurance business
- 104 Interpreting sections 100 and 101: amounts referable to category of business

## **CHAPTER 3**

### MISCELLANEOUS PROVISIONS

#### *Application of Part for capital gains tax purposes*

- 105 Meaning of “chargeable gain”
- 106 Chapters 1 and 2 apply to capital gains tax separately from other taxes

#### *When foreign tax disregarded in applying Part for corporation tax purposes*

- 107 Disregard of foreign tax referable to derivative contract
- 108 Disregard of foreign tax attributable to interest under a loan relationship
- 109 Repo cases in which no disregard under section 108
- 110 Stock-lending cases in which no disregard under section 108

#### *Special rules for discretionary trusts*

- 111 When payment to beneficiary treated as arising from foreign source

#### *Deduction for foreign tax where no credit allowed*

- 112 Deduction from income for foreign tax (instead of credit against UK tax)
- 113 Deduction from capital gain for foreign tax (instead of credit against UK tax)
- 114 Time limits for action if tax adjustment makes reduction too large or too small
- 115 Duty to give notice that adjustment has rendered reduction too large

#### *European cross-border transfers of business*

- 116 Introduction to section 117
- 117 Tax treated as chargeable in respect of transfer of loan relationship, derivative contract or intangible fixed assets

#### *European cross-border mergers*

- 118 Introduction to section 119
- 119 Tax treated as chargeable in respect of transfer of loan relationship, derivative contract or intangible fixed assets

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

*Transparent entities involved in cross-border transfers and mergers*

- 120 Introduction to section 121
- 121 Tax treated as chargeable in respect of relevant transactions

*Cross-border transfers and mergers: chargeable gains*

- 122 Tax treated as chargeable in respect of gains on transfer of non-UK business

*Interpretation of sections related to the Mergers Directive*

- 123 Interpretation of sections 116 to 122

*Cases about being taxed otherwise than in accordance with double taxation arrangements*

- 124 Giving effect to solutions to cases and mutual agreements resolving cases
- 125 Effect of, and deadline for, presenting a case

*The Arbitration Convention*

- 126 Meaning of “the Arbitration Convention”
- 127 Giving effect to agreements, decisions and opinions under the Convention
- 128 Disclosure under the Convention

*Disclosure of information*

- 129 Disclosure where relief given overseas for tax paid in the United Kingdom

*Interpretation of double taxation arrangements*

- 130 Interpreting provision about UK taxation of profits of foreign enterprises
- 131 Interpreting provision about interest influenced by special relationship
- 132 Interpreting provision about royalties influenced by special relationship
- 133 Special relationship rule for royalties: matters to be shown by taxpayer

*Assessments*

- 134 Correcting assessments where relief is available

**PART 3**

**DOUBLE TAXATION RELIEF FOR SPECIAL WITHHOLDING TAX**

*Introductory*

- 135 Relief under this Part: introductory
- 136 Interpretation of Part

*Credit etc for special withholding tax*

- 137 Income tax credit etc for special withholding tax
- 138 Amount and application of the deemed tax under section 137
- 139 Capital gains tax credit etc for special withholding tax
- 140 Provisions about the deemed tax under section 139

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

141 Credit under Chapter 2 of Part 2 to be allowed first

*Calculation of income or gain on remittance basis where special withholding tax levied*

142 Conditions for purposes of section 143

143 Taking account of special withholding tax in calculating income or gains

*Certificates to avoid levy of special withholding tax*

144 Issue of certificate

145 Refusal to issue certificate and appeal against refusal

#### **PART 4**

#### TRANSFER PRICING

#### **CHAPTER 1**

#### BASIC TRANSFER-PRICING RULE

146 Application of this Part

147 Tax calculations to be based on arm's length, not actual, provision

148 The "participation condition"

#### **CHAPTER 2**

#### KEY INTERPRETATIVE PROVISIONS

*Meaning of certain expressions that first appear in section 147*

149 "Actual provision" and "affected persons"

150 "Transaction" and "series of transactions"

151 "Arm's length provision"

152 Arm's length provision where actual provision relates to securities

153 Arm's length provision where security issued and guarantee given

154 Interpretation of sections 152 and 153

155 "Potential advantage" in relation to United Kingdom taxation

156 "Losses" and "profits"

*"Direct participation" in management, control or capital of a person*

157 Direct participation

*"Indirect participation" in management, control or capital of a person*

158 Indirect participation: defined by sections 159 to 162

159 Indirect participation: potential direct participant

160 Indirect participation: one of several major participants

161 Indirect participation: sections 148 and 175: financing cases

162 Indirect participation: sections 148 and 175: further financing cases

163 Meaning of "connected" in section 159

*Application of OECD principles*

164 Part to be interpreted in accordance with OECD principles

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

## CHAPTER 3

### EXEMPTIONS FROM BASIC RULE

- 165 Exemption for dormant companies
- 166 Exemption for small and medium-sized enterprises
- 167 Small and medium-sized enterprises: exceptions from exemption
- 168 Medium-sized enterprises: exception from exemption: transfer pricing notice
- 169 Giving of transfer pricing notices
- 170 Appeals against transfer pricing notices
- 171 Tax returns where transfer pricing notice given
- 172 Meaning of “small enterprise” and “medium-sized enterprise”
- 173 Meaning of “qualifying territory” and “non-qualifying territory”

## CHAPTER 4

### POSITION, IF ONLY ONE AFFECTED PERSON POTENTIALLY ADVANTAGED, OF OTHER AFFECTED PERSON

#### *Claim by affected person who is not advantaged*

- 174 Claim by the affected person who is not potentially advantaged
- 175 Claims under section 174 where actual provision relates to a security
- 176 Claims under section 174: advantaged person must have made return
- 177 Time for making, or amending, claim under section 174
- 178 Meaning of “return” in sections 176 and 177

#### *Claims: special cases*

- 179 Compensating payment if advantaged person is controlled foreign company
- 180 Application of section 174(2)(a) in relation to transfers of trading stock etc

#### *Alternative way of claiming if a security is involved*

- 181 Section 182 applies to claims where actual provision relates to a security
- 182 Making of section 182 claims
- 183 Giving effect to section 182 claims
- 184 Amending a section 182 claim if it is followed by relevant notice

#### *Notification to persons who may be disadvantaged*

- 185 Notice to potential claimants
- 186 Extending claim period if notice under section 185 not given or given late

#### *Treatment of interest where claim made*

- 187 Tax treatment if actual interest exceeds arm's length interest

#### *Adjustment of double taxation relief where claim made*

- 188 Double taxation relief by way of credit for foreign tax
- 189 Double taxation relief by way of deduction for foreign tax



*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

### *Interpretation of Chapter*

190 Meaning of “relevant notice”

## **CHAPTER 5**

### POSITION OF GUARANTOR OF AFFECTED PERSON'S LIABILITIES UNDER A SECURITY ISSUED BY THE PERSON

191 When sections 192 to 194 apply  
192 Attribution to guarantor company of things done by issuing company  
193 Interaction between claims under sections 174 and 192(1)  
194 Claims under section 192(1): general provisions

## **CHAPTER 6**

### BALANCING PAYMENTS

195 Qualifying conditions for purposes of section 196  
196 Balancing payments between affected persons: no charge to, or relief from, tax  
197 Qualifying conditions for purposes of section 198  
198 Balancing payments by guarantor to issuer: no charge to, or relief from, tax  
199 Pre-conditions for making election under section 200  
200 Election to pay tax rather than make balancing payments  
201 Pre-conditions for making election under section 202  
202 Election, in guarantee case, to pay tax rather than make balancing payments  
203 Elections under section 200 or 202  
204 Meaning of “capital market condition” in sections 199 and 201

## **CHAPTER 7**

### OIL-RELATED RING-FENCE TRADES

205 Provision made or imposed between ring-fence trade and other activities  
206 Meaning of “oil-related ring-fence trade” in sections 205 and 218

## **CHAPTER 8**

### SUPPLEMENTARY PROVISIONS AND INTERPRETATION OF PART

#### *Unit trusts*

207 Application of Part to unit trusts

#### *Determinations requiring Commissioners' sanction*

208 The determinations which require the Commissioners' sanction  
209 Determinations exempt from requirement for Commissioners' sanction  
210 The requirement for the Commissioners' sanction  
211 Restriction of right to appeal against Commissioners' approval

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

### *Appeals*

#### 212 Appeals

##### *Effect of Part on capital allowances and chargeable gains*

#### 213 Capital allowances

#### 214 Chargeable gains

### *Adjustments*

#### 215 Manner of making adjustments to give effect to Part

### *Definitions*

#### 216 Meaning of “the relevant activities”

#### 217 Meaning of “control” and “firm”

## **PART 5**

### ADVANCE PRICING AGREEMENTS

#### 218 Meaning of “advance pricing agreement”

#### 219 Meaning of “associate” in section 218(2)(e)

#### 220 Effect of agreement on party to it

#### 221 Effect of revocation of agreement or breach of its conditions

#### 222 Effect of agreement on non-parties

#### 223 Application for agreement

#### 224 Provision in agreement about years ended or begun before agreement made

#### 225 Modification and revocation of agreement

#### 226 Annulment of agreement for misrepresentation

#### 227 Penalty for misrepresentation in connection with agreement

#### 228 Party to agreement: duty to provide information

#### 229 Modifications of agreement for double taxation purposes

#### 230 Interpretation of Part: meaning of “Commissioners” and “officer”

## **PART 6**

### TAX ARBITRAGE

#### *Introduction*

#### 231 Overview

#### *Deduction notices*

#### 232 Deduction notices

#### 233 The deduction scheme conditions

#### 234 Schemes achieving UK tax advantage for a company

#### 235 Further provisions about deduction notices

#### *Deduction schemes*

#### 236 Schemes involving hybrid entities

#### 237 Instruments of alterable character

#### 238 Shares subject to conversion

#### 239 Securities subject to conversion

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 240 Debt instruments treated as equity
- 241 Scheme including issue of shares not conferring qualifying beneficial entitlement
- 242 Scheme including transfer of rights under a security

#### *Consequences of deduction notices*

- 243 Consequences of deduction notices
- 244 The rule against double deduction
- 245 Application of the rule against deduction for untaxable payments
- 246 Cases where payee's non-liability treated as not a result of scheme
- 247 Cases where payee treated as having reduced liability as a result of scheme
- 248 The rule against deduction for untaxable payments

#### *Receipt notices*

- 249 Receipt notices
- 250 The receipt scheme conditions
- 251 Amounts within corporation tax
- 252 Further provisions about receipt notices
- 253 Exception for dealers
- 254 Rule for calculation or recalculation of income etc following receipt notice

#### *General provisions about deduction notices and receipt notices*

- 255 Notices given before tax return made
- 256 Notices given after tax return made
- 257 Amendments, closure notices and discovery assessments where section 256 applies

#### *Interpretation*

- 258 Schemes and series of transactions
- 259 Minor definitions

### **PART 7**

#### **TAX TREATMENT OF FINANCING COSTS AND INCOME**

### **CHAPTER 1**

#### **INTRODUCTION**

- 260 Introduction

### **CHAPTER 2**

#### **APPLICATION OF PART**

- 261 Application of Part
- 262 UK net debt of worldwide group for period of account of worldwide group
- 263 Net debt of a company

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 264 Worldwide gross debt of worldwide group for period of account of the group
- 265 References to amounts disclosed in balance sheet of a company
- 265A Different accounting treatment used at company and group levels
- 266 Qualifying financial services groups
- 267 Qualifying activities
- 268 Lending activities and activities ancillary to lending activities
- 269 Insurance activities and insurance-related activities
- 270 Relevant dealing in financial instruments
- 271 UK trading income of the worldwide group
- 272 Worldwide trading income of the worldwide group
- 273 Foreign currency accounting
- 273A Meaning of “group securitisation company”

### CHAPTER 3

#### DISALLOWANCE OF DEDUCTIONS

- 274 Application of Chapter and meaning of “total disallowed amount”
- 275 Meaning of “company to which this Chapter applies”
- 275A Meaning of “dual resident investing company”
- 276 Appointment of authorised company for relevant period of account
- 277 Meaning of “the reporting body”
- 278 Statement of allocated disallowances: submission
- 279 Statement of allocated disallowances: submission of revised statement
- 280 Statement of allocated disallowances: requirements
- 280A Statement of allocated disallowances: dual resident investing companies
- 281 Statement of allocated disallowances: effect
- 282 Company tax returns
- 283 Power to make regulations about statement of allocated disallowances
- 284 Failure of reporting body to submit statement of allocated disallowances
- 284A Section 284: supplementary
- 285 Powers to make regulations in relation to reductions under section 284

### CHAPTER 4

#### EXEMPTION OF FINANCING INCOME

- 286 Application of Chapter and meaning of “total disallowed amount”
- 287 Meaning of “company to which this Chapter applies”
- 288 Appointment of authorised company for relevant period of account
- 289 Meaning of “the reporting body”
- 290 Statement of allocated exemptions: submission
- 291 Statement of allocated exemptions: submission of revised statement
- 292 Statement of allocated exemptions: requirements
- 293 Statement of allocated exemptions: effect
- 294 Company tax returns
- 295 Power to make regulations about statement of allocated exemptions
- 296 Failure of reporting body to submit statement of allocated exemptions
- 297 Power to make regulations in relation to reductions under section 296
- 298 Balancing payments between group companies: no tax charge or relief

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

## CHAPTER 5

### INTRA-GROUP FINANCING INCOME WHERE PAYER DENIED DEDUCTION

- 299 Tax exemption for certain financing income received from EEA companies
- 300 Meaning of “relevant associate”
- 301 Meaning of “tax-resident” and “EEA territory”
- 302 Qualifying EEA tax relief for payment in current or previous period
- 303 Qualifying EEA tax relief for payment in future period
- 304 References to tax of a territory
- 305 Financing income amounts of a company

## CHAPTER 6

### TAX AVOIDANCE

- 306 Schemes involving manipulation of rules in Chapter 2
- 307 Schemes involving manipulation of rules in Chapters 3 and 4
- 308 Meaning of “relevant net deduction”
- 309 Calculation of amounts
- 310 Meaning of “carried-back amount” and “carried-forward amount”
- 311 Schemes involving manipulation of rules in Chapter 5
- 312 Meaning of “scheme” and “excluded scheme”

## CHAPTER 7

### “FINANCING EXPENSE AMOUNT” AND “FINANCING INCOME AMOUNT”

- 313 The financing expense amounts of a company
- 314 The financing income amounts of a company
- 315 Interpretation of sections 313 and 314
- 316 Group treasury companies
- 317 Real estate investment trusts
- 318 Companies engaged in oil extraction activities
- 318A Industrial and provident societies
- 319 Intra-group short-term finance: financing expense
- 320 Intra-group short-term finance: financing income
- 321 Short-term loan relationships
- 322 Stranded deficits in non-trading loan relationships: financing expense
- 323 Stranded deficits in non-trading loan relationships: financing income
- 324 Stranded management expenses in non-trading loan relationships: financing expense
- 325 Stranded management expenses in non-trading loan relationships: financing income
- 326 Charities
- 327 Educational and public bodies
- 328 Interpretation of sections 316 to 327

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

## CHAPTER 8

### “TESTED EXPENSE AMOUNT” AND “TESTED INCOME AMOUNT”

- 329 The tested expense amount
- 330 The tested income amount
- 331 Companies with net financing deduction or net financing income that is small
- 331A Mismatches between tax treatment and accounting treatment

## CHAPTER 9

### “AVAILABLE AMOUNT”

- 332 The available amount
- 332A Groups containing securitisation companies
- 332B Partnerships: expenses of borrowing
- 332C Partnerships: other expenses
- 333 Group members with income from oil extraction subject to particular tax treatment in UK
- 334 Group members with income from shipping subject to particular tax treatment in UK
- 335 Group members with income from property rental subject to particular tax treatment in UK
- 336 Meaning of accounting expressions used in this Chapter
- 336A Mismatches between tax treatment and accounting treatment

## CHAPTER 10

### OTHER INTERPRETATIVE AND SUPPLEMENTARY PROVISIONS

- 337 The worldwide group
- 338 Meaning of “group”
- 339 Meaning of “ultimate parent”
- 340 Meaning of “corporate entity”
- 341 Meaning of “relevant non-corporate entity”
- 342 Treatment of entities stapled to corporate, or relevant non-corporate, entities
- 343 Treatment of business combinations
- 344 Meaning of “large” in relation to a group
- 345 Meaning of “UK group company” and “relevant group company”
- 346 Financial statements of the worldwide group
- 347 Non-compliant financial statements of the worldwide group
- 348 Non-existent financial statements of the worldwide group
- 349 References to amounts disclosed in financial statements
- 350 Translation of amounts disclosed in financial statements
- 351 Expressions taking their meaning from international accounting standards
- 352 Meaning of “relevant accounting period”
- 353 Other expressions
- 353A Effect of Part on parties to capital market arrangements
- 353B Regulations and orders

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

## **PART 8**

### OFFSHORE FUNDS

#### *Tax treatment of participants in offshore funds*

- 354 Power to make regulations about tax treatment of participants
- 355 Meaning of “offshore fund”
- 356 Meaning of “mutual fund”
- 357 Exceptions to definition of “mutual fund”
- 358 Meaning of “relevant income-producing asset”
- 359 Power to make regulations about exceptions to definition of “mutual fund”

#### *Supplementary*

- 360 Treatment of umbrella arrangements
- 361 Treatment of arrangements comprising more than one class of interest
- 362 Meaning of “participant” and “participation”
- 363 Meaning of “umbrella arrangements” and “part of umbrella arrangements”

## **PART 9**

### AMENDMENTS TO RELOCATE PROVISIONS OF TAX LEGISLATION

- 364 Oil activities
- 365 Alternative finance arrangements
- 366 Power to amend the alternative finance provisions
- 367 Leasing arrangements: finance leases and loans
- 368 Sale and lease-back etc
- 369 Factoring of income etc
- 370 UK representatives of non-UK residents
- 371 Miscellaneous relocations

## **PART 10**

### GENERAL PROVISIONS

#### *Subordinate legislation*

- 372 Orders and regulations

#### *Interpretation*

- 373 Abbreviated references to Acts

#### *Final provisions*

- 374 Minor and consequential amendments
- 375 Power to make consequential provision
- 376 Power to undo changes
- 377 Transitional provisions and savings
- 378 Repeals and revocations
- 379 Index of defined expressions
- 380 Extent
- 381 Commencement
- 382 Short title

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

## SCHEDULES

### SCHEDULE 1 — Oil activities: new Chapter 16A of Part 2 of ITTOIA 2005

- 1 ITTOIA 2005 is amended as follows.
- 2 After section 225 insert— Chapter 16A Oil activities Basic definitions...

### SCHEDULE 2 — Alternative finance arrangements

#### Part 1 — NEW PART 10A OF ITA 2007

- 1 ITA 2007 is amended as follows.
- 2 After Part 10 insert— Part 10A Alternative finance arrangements  
Introduction...
- 3 After section 564A insert— Meaning of “financial institution” (1) In  
this Part “financial institution” means—
- 4 After section 564B insert— Arrangements that are alternative finance  
arrangements...
- 5 After section 564C insert— Diminishing shared ownership  
arrangements (1) This section applies to arrangements if under them—
- 6 After section 564D insert— Deposit arrangements (1) This section  
applies to arrangements if under them—
- 7 After section 564E insert— Profit share agency arrangements (1) This  
section applies to arrangements if under them—
- 8 After section 564F insert— Investment bond arrangements (1) This  
section applies to arrangements if—
- 9 After section 564G insert— Provision not at arm's length: exclusion...
- 10 After section 564H insert— Meaning of “alternative finance return”  
Purchase...
- 11 After section 564I insert— Purchase and resale arrangements where  
return...
- 12 After section 564J insert— Diminishing shared ownership arrangements  
(1) In the case of diminishing shared ownership arrangements,  
payments...
- 13 After section 564K insert— Other arrangements (1) In the case of  
deposit arrangements, amounts paid or...
- 14 After section 564L insert— Treatment of alternative finance return as...
- 15 After section 564M insert— Alternative finance return under  
arrangements for...
- 16 After section 564N insert— Relief for some alternative finance return...
- 17 After section 564O insert— Tax relief schemes and arrangements  
Section 809ZG (tax relief schemes and arrangements) applies to  
alternative...
- 18 After section 564P insert— Deduction of income tax at source...
- 19 After section 564Q insert— Special rules for investment bond  
arrangements...
- 20 After section 564R insert— Treatment of bond-holder and bond-issuer  
(1) This section applies for the purposes of the Income...
- 21 After section 564S insert— Treatment as securities (1) Investment bond  
arrangements are securities for the purposes of...
- 22 After section 564T insert— Arrangements not unit trust scheme or...
- 23 After section 564U insert— Other rules Exclusion of alternative  
finance...
- 24 After section 564V insert— Diminishing shared ownership  
arrangements not partnerships...



*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 25 After section 564W insert— Treatment of principal under profit share...
- 26 After section 564X insert— Provision not at arm's length: relevant...  
Part 2 — NEW CHAPTER 4 OF PART 4 OF TCGA 1992
- 27 TCGA 1992 is amended as follows.
- 28 After Chapter 3 of Part 4 insert— Chapter 4 Alternative...
- 29 After section 151H insert— Meaning of “financial institution” (1) In this Chapter “financial institution” means—
- 30 After section 151I insert— Arrangements that are alternative finance arrangements...
- 31 After section 151J insert— Diminishing shared ownership arrangements (1) This section applies to arrangements if under them—
- 32 After section 151K insert— Deposit arrangements (1) This section applies to arrangements if under them—
- 33 After section 151L insert— Profit share agency arrangements (1) This section applies to arrangements if under them—
- 34 After section 151M insert— Investment bond arrangements (1) This section applies to arrangements if—
- 35 After section 151N insert— Provision not at arm's length: exclusion...
- 36 After section 151O insert— Meaning of “alternative finance return” Purchase...
- 37 After section 151P insert— Purchase and resale arrangements where return...
- 38 After section 151Q insert— Diminishing shared ownership arrangements (1) In the case of diminishing shared ownership arrangements, payments...
- 39 After section 151R insert— Other arrangements (1) In the case of deposit arrangements, amounts paid or...
- 40 After section 151S insert— Special rules for investment bond arrangements...
- 41 After section 151T insert— Treatment of bond-holder and bond-issuer (1) This section applies for the purposes of this Act...
- 42 After section 151U insert— Treatment as securities (1) Investment bond arrangements are securities for the purposes of...
- 43 After section 151V insert— Investment bond arrangements not unit trust...
- 44 After section 151W insert— Other rules Exclusion of some alternative...
- 45 After section 151X insert— Diminishing shared ownership arrangements not partnerships...

Part 3 — OTHER AMENDMENTS

*Income and Corporation Taxes Act 1988 (c. 1)*

- 46 ICTA is amended as follows.
- 47 After section 367 insert— Alternative finance arrangements (1) Sections 353 and 365 have effect as if—

*Income Tax (Earnings and Pensions) Act 2003 (c. 1)*

- 48 ITEPA 2003 is amended as follows.
- 49 After section 173 (loans to which Chapter 7 of Part...

*Income Tax Act 2007 (c. 3)*

- 50 ITA 2007 is amended as follows.

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

- 51 At the beginning of Chapter 7 of Part 7 (Community...
- 52 After section 372A insert— Purchase and resale arrangements (1) This section applies if, under arrangements to which section...
- 53 After section 372B insert— Deposit arrangements (1) This section applies if, under arrangements to which section...
- 54 After section 372C insert— Profit share agency arrangements (1) This section applies if, under arrangements to which section...
- 55 In section 1005 (meaning of “recognised stock exchange” etc) after...

#### SCHEDULE 3 — Leasing arrangements: finance leases and loans

##### Part 1 — NEW PART 11A OF ITA 2007

- 1 ITA 2007 is amended as follows.
- 2 After Part 11 insert— Part 11A Leasing arrangements: finance leases...
- 3 After section 614AC insert— Chapter 2 Finance leases with return...
- 4 After section 614BY insert— Chapter 3 Other finance leases  
Introduction...
- 5 After section 614CD insert— Chapter 4 Supplementary provisions  
Pre-26 November...
- Part 2 — NEW SECTION 37A OF TCGA 1992
- 6 TCGA 1992 is amended as follows.
- 7 After section 37 insert— Consideration on disposal of certain leases...

#### SCHEDULE 4 — Sale and lease-back etc: new Part 12A of ITA 2007

- 1 ITA 2007 is amended as follows.
- 2 After section 681 insert— Part 12A Sale and lease-back etc...
- 3 After section 681AN insert— Chapter 2 New lease of land...
- 4 After section 681BM insert— Chapter 3 Leased trading assets  
Overview...
- 5 After section 681CG insert— Chapter 4 Leased assets: capital sums...

#### SCHEDULE 5 — Factoring of income etc: new Chapters 5B and 5C of Part 13 of ITA 2007

- 1 ITA 2007 is amended as follows.
- 2 After section 809AZG insert— Chapter 5B Finance arrangements Type 1...
- 3 After section 809BZE insert— Type 2 arrangements Type 2 finance...
- 4 After section 809BZI insert— Type 3 arrangements Type 3 finance...
- 5 After section 809BZL insert— Exceptions Exceptions: preliminary (1)  
Sections 809BZN to 809BZP make provision for finance arrangement...
- 6 After section 809BZP insert— Supplementary Accounts (1) This section applies for the purposes of this Chapter....
- 7 After section 809BZS insert— Chapter 5C Loan or credit transactions...

#### SCHEDULE 6 — UK Representatives of non-UK residents

##### Part 1 — NEW CHAPTERS 2B AND 2C OF PART 14 OF ITA 2007

- 1 After section 835B of ITA 2007 (which is inserted by...
- 2 After section 835C insert— Income tax chargeable on company's income:...
- 3 After section 835D insert— Branches and agencies Branch or agency...
- 4 After section 835E insert— Trade or profession carried on in...
- 5 After section 835F insert— Persons who are not UK representatives...
- 6 After section 835G insert— Brokers (1) This section applies if a non-UK resident carries on...

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 7 After section 835H insert— Investment managers (1) This section applies if a non-UK resident carries on...
- 8 After section 835I insert— Persons acting under alternative finance arrangements...
- 9 After section 835J insert— Lloyd's agents (1) This section applies if—  
(a) a non-UK resident (“X”)...
- 10 After section 835K insert— The independent broker conditions The independent...
- 11 After section 835L insert— The independent investment manager conditions The...
- 12 After section 835M insert— Investment managers: the 20% rule (1) The requirements of the 20% rule are met if...
- 13 After section 835N insert— Meaning of “qualifying period”, “relevant disregarded”...
- 14 After section 835O insert— Treatment of transactions where 20% rule...
- 15 After section 835P insert— Application of 20% rule to collective...
- 16 After section 835Q insert— Supplementary Supplementary provision (1) For the purposes of this Chapter a person is...
- 17 After section 835R insert— Interpretation of Chapter (1) This section applies for the purposes of this Chapter...
- 18 After section 835S insert— Chapter 2C Income tax obligations and...
- 19 After section 835T insert— Obligations and liabilities of UK representative...
- 20 After section 835U insert— Exceptions: notices and information (1) An obligation or liability attaching to a non-UK resident...
- 21 After section 835V insert— Exceptions: criminal offences and penalties etc...
- 22 After section 835W insert— Indemnities (1) An independent agent of a non-UK resident is entitled...
- 23 After section 835X insert— Meaning of “independent agent” (1) In this Chapter “independent agent”, in relation to a...  
Part 2 — NEW PART 7A OF TCGA 1992
- 24 After section 271 of TCGA 1992 insert— Part 7A UK...
- 25 After section 271A insert— Branches and agencies Branch or agency...
- 26 After section 271B insert— Trade or profession carried on in...
- 27 After section 271C insert— Interpretation of Chapter In this Chapter—  
“branch or agency” means any factorship, agency,...
- 28 After section 271D insert— Chapter 2 Capital gains tax obligations...
- 29 After section 271E insert— Obligations and liabilities of UK representative...
- 30 After section 271F insert— Exceptions: notices and information (1) An obligation or liability attaching to a non-UK resident...
- 31 After section 271G insert— Exceptions: criminal offences and penalties etc...
- 32 After section 271H insert— Indemnities (1) An independent agent of a non-UK resident is entitled...
- 33 After section 271I insert— Meaning of “non-UK resident” and  
“independent”...

## SCHEDULE 7 — Miscellaneous relocations

### Part 1 — RELOCATION OF SECTION 38 OF, AND SCHEDULE 15 TO, FA 1973

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

*Taxes Management Act 1970 (c. 9)*

- 1 TMA 1970 is amended as follows.
- 2 After Part 7 insert— Part 7A Holders of licences under...
- 3 After section 77E insert— Exemption certificates Issue, cancellation and effect...
- 4 After section 77G insert— Supplementary Calculations under sections 77C(3) and...
- 5 (1) Amend the first column of the Table in section...

*Finance Act 1973 (c. 51)*

- 6 FA 1973 is amended as follows.
- 7 Omit section 38 (which introduces and interprets Schedule 15).
- 8 Omit Schedule 15 (territorial extension of charge to tax: supplementary...

*Oil Taxation Act 1975 (c. 22)*

- 9 The Oil Taxation Act 1975 is amended as follows.
- 10 In section 3(4) (expenditure not allowable under the section) for...  
Part 2 — RELOCATION OF SECTION 24 OF FA 1974

*Taxes Management Act 1970 (c. 9)*

- 11 TMA 1970 is amended as follows.
- 12 In section 8 (personal return) after subsection (4) insert—
- 13 After section 8 insert— Interpretation of section 8(4A) (1) For the purposes of section 8(4A) of this Act,...
- 14 After section 15 insert— Non-resident's staff are UK client's employees...

*Finance Act 1974 (c. 30)*

- 15 FA 1974 is amended as follows.
- 16 Omit section 24 (returns of persons treated as employees).  
Part 3 — RELOCATION OF SECTION 42 OF ICTA

*Taxes Management Act 1970 (c. 9)*

- 17 TMA 1970 is amended as follows.
- 18 (1) Amend the first column of the Table in section...

*Income and Corporation Taxes Act 1988 (c. 1)*

- 19 ICTA is amended as follows.
- 20 Omit section 42 (appeals against determinations under Chapter 4 of...

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 21 ITTOIA 2005 is amended as follows.
- 22 After section 302 insert— Determinations affecting liability of more than...

*Corporation Tax Act 2009 (c. 4)*

- 23 CTA 2009 is amended as follows.

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 24 In section 242(2) (determination by tribunal) for the words from...  
Part 4 — RELOCATION OF SECTION 84A OF ICTA

*Income and Corporation Taxes Act 1988 (c. 1)*

- 25 ICTA is amended as follows.  
26 Omit section 84A (costs of establishing share option or profit...

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 27 ITTOIA 2005 is amended as follows.  
28 In Chapter 5 of Part 2, after section 94 insert—...  
29 In section 272(2) (profits of property business: application of trading...  
Part 5 — RELOCATION OF SECTION 152 OF ICTA

*Taxes Management Act 1970 (c. 9)*

- 30 TMA 1970 is amended as follows.  
31 (1) Amend section 48 (application of following provisions of Part...  
32 After section 54 insert— No questioning in appeal of amounts...

*Income and Corporation Taxes Act 1988 (c. 1)*

- 33 ICTA is amended as follows.  
34 Omit section 152 (notification of taxable amount of certain benefits)...  
Part 6 — RELOCATION OF SECTION 337A(2) OF ICTA

*Income and Corporation Taxes Act 1988*

- 35 ICTA is amended as follows.  
36 Omit section 6(5) (signpost to Part 8 of the Act)...  
37 Omit section 337A(2) (in calculating a company's income, deductions  
in...

*Corporation Tax Act 2009 (c. 4)*

- 38 CTA 2009 is amended as follows.  
39 After section 1301 insert— Restriction of deductions for interest In  
calculating a company's income from any source for corporation...  
Part 7 — RELOCATION OF SECTION 475 OF ICTA

*Income and Corporation Taxes Act 1988 (c. 1)*

- 40 ICTA is amended as follows.  
41 Omit section 475 (tax-free Treasury securities: exclusion of interest on...

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 42 ITTOIA 2005 is amended as follows.  
43 Before section 155 (before the italic cross-heading) insert— Certain  
non-UK...  
Part 8 — RELOCATION OF SECTION 700 OF ICTA

*Income and Corporation Taxes Act 1988 (c. 1)*

- 44 ICTA is amended as follows.  
45 Omit section 700 (adjustments and information).

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 46 ITTOIA 2005 is amended as follows.  
47 After section 682 (assessments, adjustments and claims after the  
administration...

Part 9 — RELOCATION OF SECTION 787 OF ICTA

*Income and Corporation Taxes Act 1988 (c. 1)*

- 48 ICTA is amended as follows.  
49 Omit section 787 (restriction of relief for payments of interest)....

*Income Tax Act 2007 (c. 3)*

- 50 ITA 2007 is amended as follows.  
51 In section 2(13) (overview of Part 13) after paragraph (h)...  
52 After section 809ZF (which is inserted by CTA 2010) insert—...  
Part 10 — RELOCATION OF SECTIONS 130 TO 132 OF FA 1988

*Taxes Management Act 1970 (c. 9)*

- 53 TMA 1970 is amended as follows.  
54 After section 109A insert— Companies ceasing to be UK resident...

*Finance Act 1988 (c. 39)*

- 55 FA 1988 is amended as follows.  
56 Omit sections 130 to 132 (company migration).  
Part 11 — RELOCATION OF SECTION 151 OF FA 1989

*Taxes Management Act 1970 (c. 9)*

- 57 TMA 1970 is amended as follows.  
58 After section 30A insert— Assessing income tax on trustees and...

*Finance Act 1989 (c. 26)*

- 59 FA 1989 is amended as follows.  
60 Omit section 151 (assessment of trustees and personal representatives).

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 61 ITTOIA 2005 is amended as follows.  
62 In Schedule 2 (transitionals and savings etc) omit paragraph 91...  
Part 12 — RELOCATION OF SCHEDULE 12 TO F(No.2)A 1992 SO FAR AS  
APPLYING FOR INCOME TAX PURPOSES

*Finance (No.2) Act 1992 (c. 48)*

- 63 F(No.2)A 1992 is amended as follows.  
64 Omit section 66 (which introduces Schedule 12).  
65 Omit Schedule 12 (banks etc in compulsory liquidation).

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 66 ITTOIA 2005 is amended as follows.  
67 In section 369 (charge to tax on interest) after subsection...

*Status:* Point in time view as at 01/04/2010.

*Changes to legislation:* There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)

---

*Income Tax Act 2007 (c. 3)*

- 68 ITA 2007 is amended as follows.  
69 In section 2(14) (overview of Act: Part 14) after paragraph...  
70 In section 3(2) (overview of charges to income tax)—  
71 After section 837 insert— Chapter 3A Banks etc in compulsory...  
72 In Schedule 4 (index of defined expressions) at the appropriate...  
Part 13 — RELOCATION OF SECTION 200 OF FA 1996 SO FAR AS APPLYING  
FOR INCOME TAX PURPOSES

*Finance Act 1996 (c. 8)*

- 73 FA 1996 is amended as follows.  
74 (1) Amend section 200 (domicile for tax purposes of overseas...

*Income Tax Act 2007 (c. 3)*

- 75 ITA 2007 is amended as follows.  
76 In section 2(14)(b) (overview of Act: reference to Chapter 2...  
77 After section 835A insert— Chapter 2A Domicile Domicile for  
income...  
Part 14 — RELOCATION OF SECTION 36 OF FA 1998 AND SECTION 111 OF  
FA 2009

*Taxes Management Act 1970 (c. 9)*

- 78 TMA 1970 is amended as follows.  
79 In Part 5A (payment of tax) after section 59E insert—...  
80 In Part 5A after section 59F insert— Managed payment plans...

*Finance Act 1998 (c. 36)*

- 81 FA 1998 is amended as follows.  
82 Omit section 36 (arrangements with respect to payment of corporation...

*Finance Act 2009 (c. 10)*

- 83 FA 2009 is amended as follows.  
84 Omit section 111 (managed payment plans).  
Part 15 — RELOCATION OF SECTION 118 OF FA 1998

*Taxes Management Act 1970 (c. 9)*

- 85 TMA 1970 is amended as follows.  
86 In Part 4, after section 43D (which is inserted by...

*Finance Act 1998 (c. 36)*

- 87 FA 1998 is amended as follows.  
88 Omit section 118 (claims for income tax purposes).

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 89 ITTOIA 2005 is amended as follows.  
90 (1) Amend section 878 (other definitions) as follows.

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

*Income Tax Act 2007 (c. 3)*

- 91 ITA 2007 is amended as follows.  
 92 In section 989 (interpretation of Income Tax Acts) in the...  
 93 (1) Amend section 1020 (claims and elections) as follows.  
     Part 16 — RELOCATION OF SECTION 144 OF FA 2000

*Taxes Management Act 1970 (c. 9)*

- 94 TMA 1970 is amended as follows.  
 95 After section 106 insert— Evasion Offence of fraudulent evasion of...

*Finance Act 2000 (c. 17)*

- 96 FA 2000 is amended as follows.  
 97 Omit section 144 (offence of fraudulent evasion of income tax)....

*Serious Organised Crime and Police Act 2005 (c. 15)*

- 98 The Serious Organised Crime and Police Act 2005 is amended...  
 99 In section 76(3)(n) (offence under section 144 of FA 2000...

*Serious Crime Act 2007 (c. 27)*

- 100 The Serious Crime Act 2007 is amended as follows.  
 101 (1) Amend Schedule 1 as follows. (2) In paragraph 8(3)...  
     Part 17 — RELOCATION OF SECTION 199 OF FA 2003

*Taxes Management Act 1970 (c. 9)*

- 102 TMA 1970 is amended as follows.  
 103 After section 18A insert— Savings income: regulations about European  
 and...  
 104 (1) Amend the first column of the Table in section...

*Finance Act 2003 (c. 14)*

- 105 FA 2003 is amended as follows.  
 106 Omit section 199 (savings income: power to make regulations in...  
     Part 18 — RELOCATION OF SECTION 61 OF F(NO.2)A 2005

*Finance Act 1998 (c. 36)*

- 107 FA 1998 is amended as follows.  
 108 (1) Amend Schedule 18 (company tax returns, assessments and related...

*Finance (No. 2) Act 2005 (c. 22)*

- 109 F(No.2) A 2005 is amended as follows.  
 110 Omit section 61 (continuity for transitional purposes in cases  
 involving...  
     Part 19 — RELOCATION OF PARAGRAPH 13 OF SCHEDULE 13 TO FA 2007

*Income Tax Act 2007 (c. 3)*

- 111 ITA 2007 is amended as follows.  
 112 After section 925 insert— Repos Creditor repos (1) Subsection (2)  
 applies if a company (“the lender”) has...



*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

113 In section 926 (interpretation of Chapter 9 of Part 15)...

*Finance Act 2007 (c. 11)*

114 FA 2007 is amended as follows.

115 In Schedule 13 (sale and repurchase of securities) omit paragraph...

SCHEDULE 8 — Minor and consequential amendments

Part 1 — DOUBLE TAXATION RELIEF

*Taxes Management Act 1970 (c. 9)*

1 TMA 1970 is amended as follows.

2 In section 9A(4)(c) (scope of enquiries) for “section 804ZA of...

3 (1) Amend section 12B (records to be kept for purposes...

4 In section 24 (power to obtain information about income from...

5 In section 29(7A) (discovery assessments: relaxation of pre-conditions)  
for “section...

6 In section 43C(5) (meaning of consequential claim) for “or 43A”...

7 In Part 4, after section 43C insert— Claims for double...

*Income and Corporation Taxes Act 1988 (c. 1)*

8 ICTA is amended as follows.

9 In section 444BB(6) (meaning of “double taxation relief”)—

10 In section 750(3)(b) (disregard of certain double taxation relief) for...

11 In section 751(6)(a) (“creditable tax” includes amounts of double  
taxation...

12 In section 755A(4A)(b) (dividend paid by controlled foreign company  
to...

13 Omit section 788 (giving effect to double taxation arrangements).

14 Omit section 789 (conversion of references to the profits tax...

15 Omit section 790 (unilateral relief).

16 Omit section 791 (power to make regulations giving effect to...

17 Omit sections 792 to 798C (which contain rules about double...

18 Omit sections 799 and 801 to 801B (double taxation relief:...

19 Omit sections 803 to 804E and 804G to 806 (further...

20 (1) Amend section 806A as follows. (2) In subsection (2)—...

21 (1) Amend section 806B as follows. (2) In subsection (2)(b)...

22 In section 806C(3) and (4) for “this Part” substitute “...

23 In section 806D(3), (4) and (5) for “this Part” substitute...

24 In section 806F(1) and (2) for “this Part” substitute “...

25 (1) Amend section 806J (interpretation of sections 806A to 806J)...

26 Omit sections 806L and 806M (unrelieved foreign tax).

27 Omit sections 807 and 807A (provision, in connection with relief,...

28 Omit sections 807B to 807G (provisions related to the Mergers...

29 Omit sections 808A to 809 and 811 (provision, in connection...

30 In section 812(1)(b) for “section 788(1)” substitute “ section 2(1)...

31 In section 814(1)(a) for “section 788(1)” substitute “ section 2(1)...

32 Omit sections 815A to 815B and 816 (provision, in connection...

33 In section 828(4) (orders and regulations not subject to annulment)...

34 (1) Amend Schedule 19ABA (modification of life assurance provisions  
of...

35 (1) Amend Schedule 26 (reliefs against liability for tax in...

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 36 Omit Schedule 28AB (prescribed schemes and arrangements for purposes of...

*Finance Act 1989 (c. 26)*

- 37 FA 1989 is amended as follows.  
38 In section 115(1) (tax credits for dividends paid to non-residents...  
39 In section 182A(6) (double taxation: disclosure of information: interpretation) for...

*Taxation of Chargeable Gains Act 1992 (c. 12)*

- 40 TCGA 1992 is amended as follows.  
41 In section 10(4) (persons exempt under Part 18 of ICTA)...  
42 In section 10B(3) (companies exempt under Part 18 of ICTA)...  
43 In section 59(2)(b) (arrangements giving relief for partnership gains) for...  
44 In sections 140H(3), 140I(3) and 140J(3) (gains on which tax...  
45 Omit section 277 (application to capital gains tax of provisions...  
46 Omit section 278 (deduction for foreign gains tax in respect...  
47 In section 288(1) (interpretation) for the definition of “double taxation...

*Finance Act 1993 (c. 34)*

- 48 FA 1993 is amended as follows.  
49 Omit section 194 (application to petroleum revenue tax of provisions...  
50 In section 195(3) (interpretation of Part 3) omit “, other...

*Finance (No. 2) Act 1997 (c. 58)*

- 51 F(No.2) A 1997 is amended as follows.  
52 (1) Amend section 30 (tax credits) as follows.

*Finance Act 1998 (c. 36)*

- 53 FA 1998 is amended as follows.  
54 (1) Amend Schedule 18 (company tax returns etc) as follows....

*Finance Act 2000 (c. 17)*

- 55 FA 2000 is amended as follows.  
56 (1) Amend Schedule 22 (tonnage tax) as follows.

*Capital Allowances Act 2001 (c. 2)*

- 57 CAA 2001 is amended as follows.  
58 In section 105(4) (meaning of “double taxation arrangements”) for the...

*Income Tax (Earnings and Pensions) Act 2003 (c. 1)*

- 59 ITEPA 2003 is amended as follows.  
60 In section 643(6) in the definition of “double taxation relief...

*Finance Act 2004 (c. 12)*

- 61 FA 2004 is amended as follows.  
62 In Chapter 7 of Part 3 (special withholding tax) omit—...

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 63 In section 189(3) (treatment of relevant UK earnings) for “by...  
64 In Schedule 34 (non-UK pensions schemes: application of certain charges)...

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 65 ITTOIA 2005 is amended as follows.  
66 In section 397A(7) (interpretation of section) in the definition of...  
67 For section 397BA(2)(a) (which refers to arrangements to which section...  
68 In section 763(3) (priority of double taxation arrangements) for “section...  
69 (1) Section 764 (application of ICTA provisions about special relationships)...  
70 In section 858(1)(b) (resident partners and double taxation agreements) for...

*Income Tax Act 2007 (c. 3)*

- 71 ITA 2007 is amended as follows.  
72 In section 1(2)(a) (example of income tax provisions located outside...  
73 (1) Amend section 26(1)(b) (provisions referred to at Step 6...  
74 In section 27(6) (tax reductions for individuals by way of...  
75 In section 28(4) (tax reductions for non-individuals by way of...  
76 (1) Amend section 29 (tax reductions: supplementary) as follows.  
77 (1) Amend section 32 (liabilities not dealt with in calculation...  
78 (1) Amend section 53 (transfer of unused relief: general) as...  
79 (1) In section 424(2) (gift aid: charge to tax: interpretation)...  
80 (1) Amend section 425 (“total amount of income tax” in...  
81 In section 527(2) omit paragraph (b) (subsection (1) does not...  
82 In section 582(2) (regulations may remove or reduce rights to...  
83 In section 828C(4) (entitlement to double taxation relief)—  
84 In section 849(1) (interaction between Part 15 of ITA 2007...  
85 In section 1023 (meaning in Act of “double taxation arrangements”)...  
86 In section 1026— (a) after paragraph (e) insert “ or...

*Finance Act 2008 (c. 9)*

- 87 FA 2008 is amended as follows.  
88 In Schedule 17 in paragraph 10(3) after paragraph (c) insert...

*Corporation Tax Act 2009 (c. 4)*

- 89 CTA 2009 is amended as follows.  
90 In section 464(3)— (a) in paragraph (f) for “section 795(4)...  
91 In section 486(2) for “section 811 of ICTA” substitute “...  
92 In section 550(7) (meaning of “double taxation relief”) for “Part...  
93 In section 697(3)(a) (exceptions to section 696) for “because of...  
94 In section 782(1)(a) (intangible fixed assets transferred in the course...  
95 In section 793(3)(b) (when election under section 792 may be...  
96 In section 827(7) (no claim under section if claim made...  
97 In section 906(3)— (a) omit “and” after paragraph (a), and...  
98 For section 931C(1)(a) (which refers to arrangements to which section...  
99 In section 931H(5) for “Part 18 of ICTA” substitute “...  
100 In section 931J(7) for “Part 18 of ICTA” substitute “...

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 101 In section 1266(1)(b) (resident partners and double taxation agreements) for...

*Finance Act 2009 (c. 10)*

- 102 FA 2009 is amended as follows.  
103 In section 56(1) (tax in respect of MEPs' pay) for...  
104 In Schedule 16 in paragraph 7(2)(a) (purposes for which straddling...  
105 In Schedule 35 in paragraph 2(4)(b) for "section 788 of...  
Part 2 — TRANSFER PRICING AND ADVANCE PRICING AGREEMENTS

*Taxes Management Act 1970 (c. 9)*

- 106 TMA 1970 is amended as follows.  
107 In section 9A(4)(b) (scope of enquiries) for "paragraph 5C of...  
108 (1) Amend the second column of the Table in section...

*Income and Corporation Taxes Act 1988 (c. 1)*

- 109 ICTA is amended as follows.  
110 Omit section 770A (which introduces Schedule 28AA).  
111 Omit Schedule 28AA (transfer pricing).

*Finance Act 1998 (c. 36)*

- 112 FA 1998 is amended as follows.  
113 Omit section 110 (determinations requiring the sanction of the Commissioners...  
114 Omit section 111 (duty to give notice to persons who...

*Finance Act 1999 (c. 16)*

- 115 FA 1999 is amended as follows.  
116 Omit section 85 (advance pricing agreements).  
117 Omit section 86(1) to (8) and (10) (provisions supplementary to...  
118 Omit section 87 (effect of advance pricing agreements on non-parties)....

*Finance Act 2000 (c. 17)*

- 119 (1) Schedule 22 to FA 2000 (tonnage tax) is amended...

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 120 ITTOIA 2005 is amended as follows.  
121 (1) Amend section 172F (transfer pricing rules to take precedence...  
122 In section 173(2) (trading stock not to be valued if...

*Corporation Tax Act 2009 (c. 4)*

- 123 CTA 2009 is amended as follows.  
124 (1) Amend section 161 (transfer pricing rules take precedence over...  
125 In section 162(2) (trading stock not to be valued if...  
126 In section 340(7) (Schedule 28AA to ICTA does not apply...  
127 In section 374(3)(a) (meaning of non-qualifying territory) for "paragraph 5E...  
128 (1) Amend section 376(5) (interpretation of section 375) as follows....

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 129 In section 377(3)(a) (meaning of non-qualifying territory) for “paragraph 5E...
- 130 In section 407(6)(a) (meaning of non-qualifying territory) for “paragraph 5E...
- 131 (1) Amend section 410(5) (interpretation of section) as follows.
- 132 In section 444(3) (section is subject to section 445) for...
- 133 (1) Amend section 445 (disapplication of section 444 where Schedule...
- 134 (1) Amend section 446 (bringing into account adjustments made under...
- 135 (1) Amend section 447 (exchange gains and losses on debtor...
- 136 In section 452(1)(a) and (3)(a) (exchange gains and losses where...
- 137 In section 455(5) (section does not apply if paragraph 1(2)...
- 138 In section 464(3)(a) (which refers to and describes section 445(2))...
- 139 In section 484(1) (non-lending relationships treated as loan relationships: meaning...
- 140 In section 508(2) (arrangements which are not alternative finance arrangements)—...
- 141 In section 625(7) (Schedule 28AA to ICTA does not apply...
- 142 (1) Amend section 693 (bringing into account adjustments under Schedule...
- 143 (1) Amend section 694 (exchange gains and losses where derivative...
- 144 In section 698(5) (section does not apply if paragraph 1(2)...
- 145 (1) In the provisions mentioned in sub-paragraph (2) (provisions which...
- 146 In section 775(3) (intangible fixed assets: transfers within a group)...
- 147 (1) Amend section 846 (intangible fixed assets: transfers not at...
- 148 In section 931P(4) (section does not apply if Schedule 28AA...

*Finance Act 2009 (c. 10)*

- 149 FA 2009 is amended as follows.
  - 150 In Schedule 17 (international movement of capital) in paragraph 12(5)...
- Part 3 — TAX ARBITRAGE

*Finance (No. 2) Act 2005 (c. 22)*

- 151 F(No.2)A 2005 is amended as follows.
  - 152 Omit sections 24 to 28 (avoidance involving tax arbitrage).
  - 153 Omit section 30 (interpretation of Chapter 4 of Part 2)....
  - 154 Omit section 31 (commencement of Chapter 4 of Part 2)....
  - 155 Omit Schedule 3 (qualifying schemes).
- Part 4 — TAX TREATMENT OF FINANCING COSTS AND INCOME

*Taxes Management Act 1970 (c. 9)*

- 156 TMA 1970 is amended as follows.
- 157 (1) Amend the first column of the Table in section...

*Finance Act 2009*

- 158 FA 2009 is amended as follows.
  - 159 Omit section 35 (which introduces Schedule 15).
  - 160 Omit paragraphs 1 to 94 and 97 to 99 of...
- Part 5 — OFFSHORE FUNDS

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

*Inheritance Tax Act 1984 (c. 51)*

- 161 The Inheritance Tax Act 1984 is amended as follows.  
162 In section 174(1)(a) (income tax and unpaid inheritance tax) for...

*Taxation of Chargeable Gains Act 1992 (c. 12)*

- 163 TCGA 1992 is amended as follows.  
164 In section 108(1)(c) (identification of relevant securities for corporation tax)...  
165 In section 212(1)(b) (annual deemed disposal of unit trusts etc)...  
166 In Schedule 7AD (gains of insurance company from venture capital...

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 167 ITTOIA 2005 is amended as follows.  
168 In section 378A(7) (offshore fund distributions) for “section 40A of...

*Finance Act 2008 (c. 9)*

- 169 FA 2008 is amended as follows.  
170 Omit sections 40A to 42A (offshore funds).

*Corporation Tax Act 2009 (c. 4)*

- 171 CTA 2009 is amended as follows.  
172 In section 489 (meaning of “offshore fund etc”)—

*Finance Act 2009 (c. 10)*

- 173 FA 2009 is amended as follows.  
174 Omit paragraph 6 of Schedule 22 (restriction on regulation-making power...  
Part 6 — OIL ACTIVITIES

*Finance Act 1980 (c. 48)*

- 175 FA 1980 is amended as follows.  
176 In section 107(7) (transmedian fields) for “Chapter V of Part...

*Finance Act 1982 (c. 39)*

- 177 FA 1982 is amended as follows.  
178 In section 134(1) (alternative valuation of ethane used for petrochemical...  
179 In Schedule 19 (supplementary provisions relating to advance petroleum revenue...

*Income and Corporation Taxes Act 1988 (c. 1)*

- 180 ICTA is amended as follows.  
181 Omit section 493(1) to (6) (valuation of oil disposed of...  
182 Omit section 495 (regional development grants).  
183 Omit section 496 (tariff receipts and tax-exempt tariffing receipts).  
184 Omit section 502(1) and (2) (interpretation of Chapter 5).

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

*Finance Act 1991 (c. 31)*

- 185 FA 1991 is amended as follows.  
186 Omit sections 62 to 65 (abandonment guarantees and abandonment expenditure)....

*Finance Act 1999 (c. 16)*

- 187 FA 1999 is amended as follows.  
188 In section 98(7) (qualifying assets) for paragraphs (b) and (c)...

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 189 ITTOIA 2005 is amended as follows.  
190 In section 16(3) (oil extraction and related activities) for “section...  
191 In Part 2 of Schedule 4 (index of defined expressions)...

*Income Tax Act 2007 (c. 3)*

- 192 ITA 2007 is amended as follows.  
193 In section 80(3) (ring fence income) for “same meaning as...  
Part 7 — ALTERNATIVE FINANCE ARRANGEMENTS

*Finance Act 1986 (c. 41)*

- 194 FA 1986 is amended as follows.  
195 In section 78(7)(d) (loan capital)— (a) for “which fall within...  
196 In section 79 (loan capital: new provisions)—  
197 In section 99(9A) (interpretation)— (a) for “falling within section 48A...

*Taxation of Chargeable Gains Act 1992 (c. 12)*

- 198 TCGA 1992 is amended as follows.  
199 In section 99(2) (application of Act to unit trust schemes)...  
200 In section 117 (meaning of “qualifying corporate bond”) for subsection...  
201 Omit section 151F (treatment of alternative finance arrangements).  
202 In the Table in section 288(8) (interpretation), in the entry...

*Income Tax (Earnings and Pensions) Act 2003 (c. 1)*

- 203 ITEPA 2003 is amended as follows.  
204 In section 420(1) (meaning of securities etc) for paragraph (h)...

*Finance Act 2003 (c. 14)*

- 205 FA 2003 is amended as follows.  
206 In section 71A(8) (alternative property finance: land sold to a...  
207 In section 72(7) (alternative property finance in Scotland: land sold...  
208 In section 72A(8) (alternative property finance in Scotland: land sold...  
209 In section 73(5)(a) (alternative property finance: land sold to a...  
210 In section 73C (alternative finance investment bonds) for “falling within...

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 211 ITTOIA 2005 is amended as follows.

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

212 In Part 2 of Schedule 4 (index of defined expressions)...

*Finance Act 2005 (c. 7)*

213 FA 2005 is amended as follows.

214 Omit sections 46 to 47A, 48(1), 48A, 48B(1) to (5)...

215 In Schedule 2 (alternative finance arrangements: further provisions) omit paragraphs...

*Finance Act 2006 (c. 25)*

216 FA 2006 is amended as follows.

217 Omit section 97 (beneficial loans to employees).

218 Omit section 98 (orders amending Chapter 5 of Part 2...

*Income Tax Act 2007 (c. 3)*

219 ITA 2007 is amended as follows.

220 In section 2 (overview of Act) after subsection (10) insert—...

221 In section 383(6) (relief for interest payments)—

222 In section 849(4) (interaction with other Income Tax Acts provisions)...

223 In Schedule 4 (index of expressions defined in that Act)...

*Corporation Tax Act 2009 (c. 4)*

224 CTA 2009 is amended as follows.

225 Omit section 521 (power to extend Chapter 6 of Part...

226 Omit section 1310(5) (orders and regulations).

*Finance Act 2009 (c. 10)*

227 FA 2009 is amended as follows.

228 In section 123 (alternative finance investment bonds) for “falling within...

229 (1) Amend Schedule 61 (alternative finance investment bonds) as follows....

Part 8 — LEASING ARRANGEMENTS: FINANCE LEASES AND LOANS

*Taxation of Chargeable Gains Act 1992 (c. 12)*

230 The Taxation of Chargeable Gains Act 1992 is amended as...

231 In section 37 (consideration chargeable to tax on income) at...

*Finance Act 1997 (c. 16)*

232 (1) FA 1997 is amended as follows.

*Capital Allowances Act 2001 (c. 2)*

233 The Capital Allowances Act 2001 is amended as follows.

234 In section 60(1)(c) (meaning of “disposal receipt”) for “paragraph 11”...

235 In section 420(b) (meaning of “disposal receipt”) for “paragraph 11”...

236 In section 476(1)(b) (disposal value of patent rights) for “paragraph...

*Income Tax Act 2007 (c. 3)*

237 The Income Tax Act 2007 is amended as follows.



*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 238 In section 2 (overview of Act) after subsection (11) insert—...  
239 In Schedule 4 (index of defined expressions) at the appropriate...  
Part 9 — SALE AND LEASE-BACK ETC

*Income and Corporation Taxes Act 1988 (c. 1)*

- 240 ICTA is amended as follows.  
241 Omit section 24 (which has come to apply only for...  
242 Omit sections 779 to 785 (sale and lease-back etc).

*Taxation of Chargeable Gains Act 1992 (c. 12)*

- 243 TCGA 1992 is amended as follows.  
244 In Schedule 8 (leases) in paragraph 9(2) (gain reduced by...

*Broadcasting Act 1996 (c. 55)*

- 245 The Broadcasting Act 1996 is amended as follows.  
246 (1) Amend Schedule 7 (transfer schemes: taxation provisions) as follows....

*Finance Act 1999 (c. 16)*

- 247 FA 1999 is amended as follows.  
248 In section 97(6), in the definition of “lease”, for “sections...

*Greater London Authority Act 1999 (c. 29)*

- 249 The Greater London Authority Act 1999 is amended as follows....  
250 (1) Amend paragraph 13 of Schedule 33 (taxation provisions: public-private...

*Transport Act 2000 (c. 38)*

- 251 The Transport Act 2000 is amended as follows.  
252 In paragraph 15 of Schedule 7 (transfer schemes: tax: leased...

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 253 ITTOIA 2005 is amended as follows.  
254 (1) Amend section 49 (car or motor cycle hire: supplementary)...  
255 In section 100(4) (meaning of sale and lease-back arrangement) after...

*Income Tax Act 2007 (c. 3)*

- 256 ITA 2007 is amended as follows.  
257 In section 2 (overview of Act) after subsection (12) insert—...  
258 In section 989 at the appropriate place insert— “hire-purchase agreement”...  
259 After section 998 insert— Meaning of “hire-purchase agreement” (1)  
This section applies for the purposes of the provisions...  
260 (1) Amend section 1016(2) (table of provisions to which section...  
261 In Schedule 4 (index of defined expressions) at the appropriate...

*Corporation Tax Act 2009 (c. 4)*

- 262 CTA 2009 is amended as follows.

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

- 263 In section 97(4) (meaning of sale and lease-back arrangement) after...  
Part 10 — FACTORING OF INCOME ETC

*Income and Corporation Taxes Act 1988 (c. 1)*

- 264 ICTA is amended as follows.  
265 Omit sections 774A to 774G (factoring of income receipts etc)...  
266 Omit section 786 (transactions associated with loans or credit).

*Taxation of Chargeable Gains Act 1992 (c. 12)*

- 267 TCGA 1992 is amended as follows.  
268 (1) Amend section 263E (structured finance arrangements) as follows.

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

- 269 ITTOIA 2005 is amended as follows.  
270 After section 281 insert— Sums to which sections 277 to...

*Income Tax Act 2007 (c. 3)*

- 271 ITA 2007 is amended as follows.  
272 In section 2(13) (overview of Part 13) omit the “or”...  
273 For section 809AZE (transfers of income streams: exception for transfer...  
274 (1) Amend section 1016(2) (table of provisions to which section...  
275 In Schedule 4 (index of defined expressions) at the appropriate...  
Part 11 — UK REPRESENTATIVES OF NON-UK RESIDENTS

*Finance Act 1995 (c. 4)*

- 276 FA 1995 is amended as follows.  
277 Omit section 126 (UK representatives of non-residents).  
278 Omit section 127 (persons not treated as UK representatives).  
279 Omit Schedule 23 (obligations etc imposed on UK representatives).

*Income Tax Act 2007 (c. 3)*

- 280 ITA 2007 is amended as follows.  
281 In section 2(14) (overview of Act)— (a) omit the “and”...  
282 In section 813(2) (meaning of “disregarded income”) for “section 126...  
283 (1) Amend section 817 (independent broker conditions) as follows.  
284 In section 824 (application of 20% rule to collective investment...  
285 (1) Amend section 1014(2) (orders and regulations to which section...  
286 In Schedule 4 (index of defined expressions) at the appropriate...  
Part 12 — AMENDMENTS FOR PURPOSES CONNECTED WITH OTHER TAX  
LAW REWRITE ACTS

*Solicitors (Northern Ireland) Order 1976 (S.I. 1976/582 (N.I. 12))*

- 287 The Solicitors (Northern Ireland) Order 1976 is amended as follows....  
288 In paragraph 38(3) of Schedule 1A for the words from...

*Administration of Justice Act 1985 (c. 61)*

- 289 The Administration of Justice Act 1985 is amended as follows....  
290 In paragraph 36(3) of Schedule 2 for “749,” substitute “...

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

*Income and Corporation Taxes Act 1988 (c. 1)*

- 291 ICTA is amended as follows.  
292 Omit section 59(3) and (4) (person answerable for tax charged...

*Broadcasting Act 1996 (c. 55)*

- 293 The Broadcasting Act 1996 is amended as follows.  
294 (1) Amend paragraph 19 of Schedule 7 (no profit or...

*Greater London Authority Act 1999 (c. 29)*

- 295 The Greater London Authority Act 1999 is amended as follows....  
296 In paragraph 7 of Schedule 33 (taxation provisions: revenue nature...

*Income Tax (Earnings and Pensions) Act 2003 (c. 1)*

- 297 ITEPA 2003 is amended as follows.  
298 In section 211(2) (which refers to section 215, which in...  
299 In section 215 (which now refers to section 776(1) of...  
300 In section 331(1) (Part 5 is to be read with...

*Finance Act 2004 (c. 12)*

- 301 FA 2004 is amended as follows.  
302 (1) Amend section 318 (interpretation of Part 7) as follows....

*Finance Act 2005 (c. 7)*

- 303 FA 2005 is amended as follows.  
304 Omit section 48B(6) to (8) (alternative finance arrangements: alternative finance...  
305 In Schedule 2 (alternative finance arrangements: further provisions) omit paragraph...

*Income Tax Act 2007 (c. 3)*

- 306 ITA 2007 is amended as follows.  
307 In section 887(4) (industrial and provident society payments) for “section...

*Corporation Tax Act 2009 (c. 4)*

- 308 CTA 2009 is amended as follows.  
309 Before section 1 insert— Overview of the Corporation Tax Acts...  
310 In section 39(2) (profits of mines, quarries and other concerns)...  
311 In section 1269 (interpretation of sections 1267 and 1268) in...  
312 In paragraph 75 of Schedule 2 (transitional provision and savings:...  
Part 13 — GENERAL

*Taxes Management Act 1970 (c. 9)*

- 313 TMA 1970 is amended as follows.  
314 In section 118(1) after the definition of “the 1992 Act”...

*Income and Corporation Taxes Act 1988 (c. 1)*

- 315 ICTA is amended as follows.

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

316 In section 831(3) (interpretation of ICTA) after the definition of...

*Taxation of Chargeable Gains Act 1992 (c. 12)*

317 TCGA 1992 is amended as follows.

318 (1) Amend section 287 (powers to make orders or regulations...

319 In section 288(1) (interpretation) after the definition of “the Taxes...

*Finance Act 1998 (c. 36)*

320 FA 1998 is amended as follows.

321 (1) Amend Schedule 18 (company tax returns etc) as follows....

*Income Tax (Earnings and Pensions) Act 2003 (c. 1)*

322 ITEPA 2003 is amended as follows.

323 In Part 1 of Schedule 1 (abbreviations of Acts etc)...

*Income Tax (Trading and Other Income) Act 2005 (c. 5)*

324 ITTOIA 2005 is amended as follows.

325 In Part 1 of Schedule 4 (abbreviations of Acts) after...

*Income Tax Act 2007 (c. 3)*

326 ITA 2007 is amended as follows.

327 In section 1014(2) (orders and regulations under the Income Tax...

328 In section 1017 (abbreviated references to Acts) for the “and”...

*Corporation Tax Act 2009 (c. 4)*

329 CTA 2009 is amended as follows.

330 In section 1312 (abbreviated references to Acts) after the definition...

*Finance Act 2009 (c. 10)*

331 FA 2009 is amended as follows.

332 In section 126(1) (abbreviated references to Acts) after the entry...

SCHEDULE 9 — Transitionals and savings etc

Part 1 — GENERAL PROVISIONS

*Continuity of the law: general*

1 The repeal of provisions and their enactment in a rewritten...

2 Paragraph 1 does not apply to any change made by...

3 Any subordinate legislation or other thing which—

4 (1) Any reference (express or implied) in this Act, another...

5 (1) Any reference (express or implied) in any enactment, instrument...

6 Paragraphs 1 to 5 have effect instead of section 17(2)...

7 Paragraphs 4 and 5 apply only so far as the...

*General saving for old transitional provisions and savings*

8 (1) The repeal by this Act of a transitional or...

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

### *Interpretation*

9 (1) In this Part— “enactment” includes subordinate legislation (within the...

Part 2 — CHANGES IN THE LAW

10 (1) This paragraph applies if, in the case of any...

Part 3 — DOUBLE TAXATION RELIEF

### *Conversion of references to the profits tax in old arrangements*

11 (1) Sub-paragraph (2) applies to any arrangements—

### *Effect in relation to capital gains tax of arrangements given effect before introduction of that tax*

12 Any arrangements specified in an Order in Council made under...

### *Double taxation arrangements to which section 11(3) applies*

13 Section 11(3) does not have effect in relation to arrangements...

### *Unilateral relief for underlying tax on dividends*

14 (1) Condition C in section 15 (credit for underlying tax...

### *Time limits for claims for relief*

15 (1) If article 10 of the 2009 Order applies—

### *Taking account of underlying tax*

16 In relation to distributions paid before 1 July 2009, the...

### *Reduction in credit: payment by reference to foreign tax*

17 Section 34 does not have effect in relation to payments...

### *Credit against corporation tax on trade income: anti-avoidance*

18 Section 45(2) has effect in relation to a credit for...

### *Credit against corporation tax on trade income: banks*

19 Section 49 has effect in relation to a credit for...

### *Meaning of “relevant profits” in section 58*

20 In relation to dividends paid before 1 July 2009, section...

### *Conditions for relief for underlying tax paid by company lower in dividend-paying chain*

21 Section 65(3)(a) applies with the omission of sub-paragraph (ii) if...

### *Application of sections 109 and 110 in relation to pre-1 October 2007 cases*

22 (1) Section 109 does not apply in the case of...

### *Income increased by amounts paid by reference to foreign tax for which deduction allowed*

23 Section 112(3) does not have effect in relation to payments...

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

*Offshore fund treated after 1 December 2009 as distributing fund under repealed Chapter 5 of Part 17 of ICTA*

24 In paragraph 5(4)(b) of Schedule 27 to ICTA (offshore funds:...

*Limited effect of amendments of sections 806A to 806J of ICTA*

25 The amendments in sections 806A to 806J of ICTA that...

*Interpretative rules saved for the purposes of applying sections 806A to 806K of ICTA to distributions paid before 1 July 2009*

26 (1) Despite their repeal by this Act, the saved rules...

*Repealed references to Part 18 of ICTA saved for purposes of sections 806A to 806K of ICTA*

27 (1) Sub-paragraph (2) has effect for the purposes of applying...  
Part 4 — TRANSFER PRICING

*Transfer pricing: meaning of potential advantage*

28 Section 155(6)(b) does not have effect in relation to distributions...  
Part 5 — ADVANCE PRICING AGREEMENTS

29 (1) An agreement made before 27 July 1999 cannot have...  
Part 6 — TAX AVOIDANCE (ARBITRAGE)

*Arbitrage: contributions to capital of UK resident companies before 16 March 2005*

30 Sections 249 to 254 (tax arbitrage: receipt notices) do not...  
Part 7 — TAX TREATMENT OF FINANCING COSTS AND INCOME

*Periods of account in relation to which Part 7 does not have effect*

31 (1) Part 7 of this Act does not have effect...

*Exclusion of certain debits and credits*

32 (1) An amount that would, apart from this paragraph, meet...  
Part 8 — OFFSHORE FUNDS

*Restriction on regulation-making power under section 354*

33 (1) Regulations under section 354 may not make provision about...  
34 Paragraph 33 does not prevent regulations under section 354 making  
—...  
Part 9 — OIL ACTIVITIES

*Regional development grants*

35 In relation to periods of account (within the meaning given...

*Reimbursement by defaulter in respect of certain abandonment expenditure*

36 (1) If article 10 of the 2009 Order applies, section...  
Part 10 — ALTERNATIVE FINANCE ARRANGEMENTS

*Alternative finance arrangements entered into before certain dates etc*

37 (1) The alternative finance provisions do not apply to purchase...

*Status: Point in time view as at 01/04/2010.*

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)*

---

*Alternative finance arrangements not offshore funds*

38 So far as Chapter 5 of Part 17 of ICTA...

*Alternative finance arrangements entered into before 15 October 2009*

39 (1) In relation to arrangements entered into before 15 October...

40 (1) In relation to arrangements entered into before 15 October...

Part 11 — SALE AND LEASE-BACK ETC

*New lease of land after assignment or surrender: right to new lease existed pre-22 June 1971*

41 (1) Sub-paragraphs (2) and (3) apply if—

Part 12 — FACTORING OF INCOME ETC

*Application of Chapter 5B of Part 13 of ITA 2007  
(finance arrangements) to pre-6 June 2006 arrangements*

42 Chapter 5B of Part 13 of ITA 2007 (which is...

*Application of section 809BZN of ITA 2007 (finance arrangements: exceptions)*

43 (1) In relation to a transfer before 22 April 2009,...

*Application of section 809CZC of ITA 2007 (income-transfer under loan or credit transaction)*

44 In relation to a transfer before 22 April 2009, section...

Part 13 — MISCELLANEOUS RELOCATIONS

*Application of sections 925A to 925F of ITA 2007 (repos)*

45 (1) Sections 925A to 925F and 926(1A) of ITA 2007...

SCHEDULE 10 — Repeals and revocations

Part 1 — DOUBLE TAXATION RELIEF

Part 2 — TRANSFER PRICING AND ADVANCE PRICING AGREEMENTS

Part 3 — TAX ARBITRAGE

Part 4 — TAX TREATMENT OF FINANCING COSTS AND INCOME

Part 5 — OFFSHORE FUNDS

Part 6 — OIL ACTIVITIES

Part 7 — ALTERNATIVE FINANCE ARRANGEMENTS

Part 8 — LEASING ARRANGEMENTS: FINANCE LEASES AND LOANS

Part 9 — SALE AND LEASE-BACK ETC

Part 10 — FACTORING OF INCOME ETC

Part 11 — UK REPRESENTATIVES OF NON-UK RESIDENTS

Part 12 — MISCELLANEOUS RELOCATIONS

Part 13 — REPEALS FOR PURPOSES CONNECTED WITH OTHER TAX LAW  
REWRITE ACTS

SCHEDULE 11 — Index of defined expressions used in Parts 2 to 8

Part 1 — DOUBLE TAXATION RELIEF: INDEX OF DEFINED EXPRESSIONS  
USED IN PARTS 2 AND 3

Part 2 — TRANSFER PRICING: INDEX OF DEFINED EXPRESSIONS USED IN  
PART 4

Part 3 — ADVANCE PRICING AGREEMENTS: INDEX OF DEFINED  
EXPRESSIONS USED IN PART 5

**Status:** Point in time view as at 01/04/2010.

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. 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)

---

- Part 4 — TAX ARBITRAGE: INDEX OF DEFINED EXPRESSIONS USED IN PART 6
- Part 5 — TAX TREATMENT OF FINANCING COSTS AND INCOME: INDEX OF DEFINED EXPRESSIONS USED IN PART 7
- Part 6 — OFFSHORE FUNDS: INDEX OF DEFINED EXPRESSIONS USED IN PART 8



**Status:**

Point in time view as at 01/04/2010.

**Changes to legislation:**

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Taxation (International and Other Provisions) Act 2010. Any changes that have already been made by the team appear in the content and are referenced with annotations.