

SCHEDULES

SCHEDULE 20

CONTROLLED FOREIGN COMPANIES AND FOREIGN PERMANENT ESTABLISHMENTS

PART 4

COMMENCEMENT PROVISION

Commencement provision relating to controlled foreign companies etc

- 49 (1) The CFC charge is charged in relation to accounting periods of CFCs beginning on or after 1 January 2013.
- (2) The first accounting period of a company which is a CFC at the beginning of 1 January 2013 begins at that time.
- (3) Sub-paragraph (2) is subject to paragraph 50 below.
- (4) This paragraph is to be read as if contained in Part 9A of TIOPA 2010.
- 50 (1) The repeal of Chapter 4 of Part 17 of ICTA by paragraph 14 above has no effect for accounting periods within the meaning of that Chapter (see section 751) beginning before 1 January 2013.
- (2) Sub-paragraphs (3) and (4) apply to a company which—
- (a) has an accounting period within the meaning of Chapter 4 of Part 17 of ICTA beginning before 1 January 2013 but ending on or after that date, and
 - (b) is not, at the end of 31 December 2012, a life assurance subsidiary.
- (3) The company is not to have an accounting period within the meaning of Part 9A of TIOPA 2010 before its accounting period mentioned in sub-paragraph (2)(a) ends.
- (4) If the company is a CFC immediately after the end of its accounting period mentioned in sub-paragraph (2)(a), its first accounting period within the meaning of Part 9A of TIOPA 2010 begins at that time.
- (5) Sub-paragraph (6) applies to a company which—
- (a) apart from sub-paragraph (6), would have an accounting period within the meaning of Chapter 4 of Part 17 of ICTA beginning before 1 January 2013 but ending on or after that date, and
 - (b) is, at the end of 31 December 2012, a life assurance subsidiary.
- (6) The company's accounting period mentioned in sub-paragraph (5)(a) ends at the end of 31 December 2012 (and, accordingly, paragraph 49(2) above applies in relation to the company if it is a CFC at the beginning of 1 January 2013).

Status: This is the original version (as it was originally enacted).

- (7) “Life assurance subsidiary” means a company in which a life assurance company has a relevant interest as determined in accordance with Chapter 15 of Part 9A of TIOPA 2010.
- (8) “Life assurance company” means a company carrying on life assurance business within the meaning of Part 2 of this Act (see section 56).
- (9) The amendments made by paragraphs 11, 12, 13, 16, 17, 19, 20, 21, 22, 23, 25, 26, 27(2) and (4), 28, 29, 38, 39, 42, 47 and 48 above are to be ignored so far as appropriate in consequence of the sub-paragraphs above.
- 51 The amendment made by paragraph 27(3) above has no effect for relevant periods beginning before 1 January 2013 (and the relevant provisions of Chapter 4 of Part 17 of ICTA continue to have effect accordingly notwithstanding the repeal of that Chapter by paragraph 14 above).
- 52 The amendment made by paragraph 30 above has no effect in relation to dividends or other distributions received before 1 January 2013.
- 53 The amendment made by paragraph 31 above has no effect in relation to dividends or other distributions received before 1 January 2013 (and the relevant provisions of Chapter 4 of Part 17 of ICTA continue to have effect accordingly notwithstanding the repeal of that Chapter by paragraph 14 above).
- 54 The amendments made by paragraphs 33 to 36 above are treated as having come into force on 30 June 2012.

Commencement provision relating to foreign permanent establishments

- 55 (1) The amendments made by paragraphs 3, 5 and 9 above come into force on 1 January 2013; but the amendment made by paragraph 5(3) above has no effect in relation to elections made before that date.
- (2) The amendments made by paragraphs 4 and 6 to 8 above have effect for relevant accounting periods beginning on or after 1 January 2013.