

## SCHEDULES

### SCHEDULE 36

#### AGREEMENT BETWEEN UK AND SWITZERLAND

#### PART 2

#### THE PAST

##### *Effect if P eligible for clearance*

- 6 (1) This paragraph sets out the effect of the Part 2 certificate if P is eligible for clearance.
- (2) P ceases to be liable to tax on qualifying amounts.
- (3) Sub-paragraph (2) does not apply to a qualifying amount if—
- (a) the amount was held in the United Kingdom,
  - (b) at some point during the period beginning with 6 October 2011 and ending immediately before the start date, it ceased to be held in the United Kingdom, and
  - (c) after that point (but before the start date) it began to be held in Switzerland.
- (4) Instead, such part of the one-off payment as is attributable (on a just and reasonable basis) to the qualifying amount is to be treated as if it were a credit allowable against the tax due from P taking account of that amount.
- (5) The meaning of tax due “taking account of” an amount is explained in Part 5 of this Schedule.
- (6) The form in which a qualifying amount was held in the United Kingdom is irrelevant (so references in sub-paragraph (3) to the amount include an asset representing the amount).
- (7) The total qualifying amounts to which sub-paragraphs (2) and (4) can apply as a result of the Part 2 certificate is limited to X.
- (8) If the total exceeds X, the particular qualifying amounts to which those sub-paragraphs apply are assumed to be those that would produce the most beneficial outcome for P.
- (9) X is—
- (a) in a case falling within Article 9(3), the value of the omitted taxable base by reference to which the one-off payment was calculated, and
  - (b) in any other case, the value shown in the Part 2 certificate as the value of the relevant capital ( $C_T$ ).