

SCHEDULES.

SCHEDULE 20

SUPPLEMENTARY PROVISIONS ABOUT TRANSITIONAL RELIEF FOR EXISTING COMPANIES WITH OVERSEAS TRADING INCOME.

Groups of companies and associated companies.

- 4 (1) Where arrangements entered into between any companies make provision for relating to one another the amounts of the dividends paid to them respectively by companies under their joint control, relief shall not be given for any year of assessment to a company paying dividends regulated by that provision or to a subsidiary of it, except on condition that for the purposes of that provision the dividends are treated as not exceeding the amount (before deduction of income tax) of those dividends less the relief given to the company paying them and less the appropriate fraction of the relief given to any company of which that company owns ordinary share capital, whether directly or through another body corporate or other bodies corporate.
- (2) In this paragraph " company " includes a company not resident in the United Kingdom, and " appropriate fraction " in relation to a company paying dividends regulated by any such arrangements and to another company means the fraction proportionate to the interest of the company paying the dividends in that other company.