



Taxation (International and Other Provisions) Act 2010

2010 CHAPTER 8

[^{F1}PART 10]

[^{F1}CORPORATE INTEREST RESTRICTION]

[^{F1}CHAPTER 2]

[^{F1}DISALLOWANCE AND REACTIVATION OF TAX-INTEREST EXPENSE AMOUNTS]

[^{F1}375 Disallowance of deductions: full interest restriction return submitted

- (1) This section applies where—
 - (a) an interest restriction return is submitted for a period of account of a worldwide group (“the relevant period of account”),
 - (b) the return complies with the requirements of paragraph 20(3) of Schedule 7A (requirements for full interest restriction return), and
 - (c) the return includes a statement that the group is subject to interest restrictions in the return period.
- (2) A company that is listed on the statement under paragraph 22 of Schedule 7A (statement of allocated interest restrictions) must, in any accounting period for which the statement specifies an allocated disallowance, leave out of account tax-interest expense amounts that, in total, equal that allocated disallowance.
- (3) A non-consenting company in relation to the return may—
 - (a) elect that subsection (2) is not to apply in relation to such relevant accounting period of the company as is specified in the election, or
 - (b) revoke an election previously made.
- (4) If—

Changes to legislation: *There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 375. (See end of Document for details)*

- (a) an election under this section has effect in relation to an accounting period of a company, and
- (b) paragraph 24 of Schedule 7A allocates to that period a pro-rata share of the total disallowed amount that is not nil,

the company must leave out of account in that period tax-interest expense amounts that, in total, equal that pro-rata share.

- (5) See section 377 for provision as to which tax-interest expense amounts are to be left out of account as a result of this section.]

Textual Amendments

- F1** Pt. 10: the existing Pt. 10 renumbered as Pt. 11 (except for ss. 375, 376 which are repealed), the existing ss. 372-374, 377-382 renumbered as ss. 499-507 and a new Pt. 10 (ss. 372-498) inserted (with effect in accordance with [Sch. 5 para. 25\(1\)-\(3\)](#) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 5 para. 1](#), [10\(1\)\(2\)\(a\)\(3\)](#) (with [Sch. 5 paras. 27, 32-34](#))

Changes to legislation:

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