



Taxation (International and Other Provisions) Act 2010

2010 CHAPTER 8

PART 2

DOUBLE TAXATION RELIEF

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DOUBLE TAXATION RELIEF BY WAY OF CREDIT

Taking account of foreign tax underlying dividends

62 Meaning of “relevant profits” in section 61

- (1) This section applies for the purposes of section 61.
- (2) “Relevant profits”, if the dividend is paid for a specified period, means—
 - (a) the profits of that period, plus
 - (b) if the total dividend exceeds the distributable profits of that period, so much of the distributable profits of preceding periods as is equal to the excess.
- (3) “Relevant profits”, if the dividend is not paid for a specified period but is paid out of specified profits, means those profits.
- (4) “Relevant profits”, if the dividend is paid neither for a specified period nor out of specified profits, means—
 - (a) the profits of the last period for which accounts of the body corporate paying the dividend were made up which ended before the dividend became payable, plus
 - (b) if the total dividend exceeds the distributable profits of that period, so much of the distributable profits of preceding periods as is equal to the excess.

Changes to legislation: There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 62. (See end of Document for details)

- (5) In subsection (2)(b) or (4)(b), the reference to distributable profits of preceding periods does not include—
- (a) profits previously distributed, or
 - (b) profits previously treated as relevant profits for the purposes of [^{F1}section 58 or 61 of this Act], section 799 of ICTA or section 506 of the Income and Corporation Taxes Act 1970.
- (6) For the purposes of subsection (2)(b) or (4)(b), the profits of the most recent preceding period are first to be taken into account, then the profits of the next most recent preceding period, and so on.
- (7) In this section “distributable profits”, in relation to a period, means profits available for distribution of the period.
- (8) The reference in subsection (5)(b) to section 799 of ICTA is without prejudice to the generality of paragraph 4(1) of Schedule 9 (references to rewritten provisions include references to superseded provisions).

Textual Amendments

- F1** Words in s. 62(5)(b) substituted (retrospectively and with effect in accordance with art. 1(2) of the amending S.I.) by [Taxation \(International and Other Provisions\) Act 2010 \(Amendment\) Order 2010 \(S.I. 2010/2901\)](#), arts. 1(1), **4(3)**

Changes to legislation:

There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 62.