



Income Tax (Trading and Other Income) Act 2005

2005 CHAPTER 5

PART 5

MISCELLANEOUS INCOME

[^{F1}CHAPTER 2A

OFFSHORE RECEIPTS IN RESPECT OF INTANGIBLE PROPERTY

Exemptions

[^{F1}608L Exemption where foreign tax at least half of UK tax

- (1) Section 608A does not apply in relation to a person for a tax year if—
 - (a) the person is resident in a territory outside the United Kingdom in that year,
 - (b) the amount of tax (“the local tax amount”) which is paid in the territory in respect of UK-derived amounts arising in the tax year is at least half of the corresponding UK tax, and
 - (c) the local tax amount is not determined under designer tax provisions.
- (2) See section 608M for provisions about the local tax amount.
- (3) “The corresponding UK tax” means the amount of income tax that would be charged under this Chapter in respect of UK-derived amounts arising in the tax year, calculated on the following basis—
 - (a) section 608A applies in relation to the UK-derived amounts, and
 - (b) the person is not entitled to any relief or allowance for the tax year.

^{F2}(4)

Changes to legislation: There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Section 608L. (See end of Document for details)

[For the purposes of this section, section 608D (meaning of residence) applies as if ^{F3}(5) subsections (2)(b), (4) and (5) were omitted.]]

Textual Amendments

- F1** Pt. 5 Ch. 2A inserted (with effect in accordance with Sch. 3 para. 7 of the amending Act) by [Finance Act 2019 \(c. 1\)](#), [Sch. 3 para. 4](#) (with [Sch. 3 para. 8](#))
- F2** S. 608L(4) omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Income Tax \(Trading and Other Income\) Act 2005 \(Amendments to Chapter 2A of Part 5\) Regulations 2019 \(S.I. 2019/1452\)](#), regs. 1(1), [9\(2\)](#)
- F3** S. 608L(5) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income Tax \(Trading and Other Income\) Act 2005 \(Amendments to Chapter 2A of Part 5\) Regulations 2019 \(S.I. 2019/1452\)](#), regs. 1(1), [9\(3\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Section 608L.