



Corporation Tax Act 2009

2009 CHAPTER 4

PART 2 U.K.

CHARGE TO CORPORATION TAX: BASIC PROVISIONS

[^{F1}CHAPTER 3A U.K.

UK RESIDENT COMPANIES: PROFITS OF FOREIGN PERMANENT ESTABLISHMENTS

Exemption

[^{F1}18B Chargeable gains etc U.K.

- (1) The exemption adjustments required to be made by section 18A(1) include, in the case of any gains or losses on the disposal or realisation of assets which are relevant in the calculation of the taxable total profits of a company for a relevant accounting period, adjustments to remove the effect of any gains or losses relating to the assets taken into account in computing the foreign permanent establishments amount in relation to any relevant accounting period (so that, in appropriate cases, a gain may be increased to reflect a loss so taken into account or a loss increased to reflect a gain so taken into account).
- (2) The references in section 18A(6) to profits which would be taken to be attributable to the permanent establishment of a company in a territory include any gains in respect of immoveable property which has been used for the purposes of the business carried on by the company through the permanent establishment in the territory (to such extent as is appropriate having regard to the extent to which it has been so used); and the references to losses in section 18A(7) are to be construed accordingly.
- (3) The references in section 18A(6) to profits which would be taken, in the case of a company in relation to which an election under section 18A has effect, to be attributable to the permanent establishment of the company in a territory (including

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as extended by subsection (2)) do not include any gains which would be taken to be so attributable for the purposes of ascertaining credit to be allowed in respect of tax payable under the law of the territory before the election has effect; and the references to losses in section 18A(7) are to be construed accordingly.]

Textual Amendments

F1 Pt. 2 Ch. 3A inserted (19.7.2011) by [Finance Act 2011 \(c. 11\)](#), [Sch. 13 paras. 4, 31](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 322(2A)(zb) inserted by [2016 c. 24 s. 73\(5\)](#)
- s. 1058B(5)(ea) inserted by [2023 c. 20 Sch. para. 57](#)
- s. 1094(2A)-(2C) inserted by [2012 c. 14 Sch. 3 para. 13\(3\)](#)
- s. 1106(4A)-(4C) inserted by [2012 c. 14 Sch. 3 para. 14\(3\)](#)