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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2010, Paragraph 7. (See end of Document for details)*

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## SCHEDULES

### SCHEDULE 11

#### RELIEFS AND REDUCTIONS FOR FOREIGN TAX

##### *Limit on reduction for foreign tax*

- 7 (1) In section 112 of TIOPA 2010 (deduction from income for foreign tax), after subsection (2) insert—
- “(2A) But if X is less than Y, an amount equal to the difference between X and Y must be subtracted from the amount by which any income of a person (“the relevant income”) is reduced under subsection (1)(a).
- (2B) In subsection (2A)—
- X is the amount of the relevant income that the person would (disregarding this section) be required to bring into account for income tax or corporation tax purposes, less any deduction that the person would be allowed to make for the amount paid in respect of non-UK tax, and
- Y is the amount of the relevant income (that is to say, the amount on which the amount in respect of non-UK tax is paid).”
- (2) The amendment made by this paragraph has effect in relation to amounts in respect of non-UK tax that are paid—
- as regards corporation tax, on or after 1 April 2010, and
  - as regards income tax, on or after 6 April 2010.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2010, Paragraph 7.