



Corporation Tax Act 2010

2010 CHAPTER 4

PART 24

CORPORATION TAX ACTS DEFINITIONS ETC

CHAPTER 2

PERMANENT ESTABLISHMENTS

Investment managers

1146 The independent investment manager conditions

- (1) This section applies if an investment transaction is carried out on behalf of a non-UK resident company in the course of the company's trade by a person in the United Kingdom acting as an investment manager.
- (2) In relation to the investment transaction, the investment manager is regarded for the purposes of section 1142(1) as an agent of independent status acting in the ordinary course of the investment manager's business if (and only if) each of conditions A to E is met ("the independent investment manager conditions").
- (3) Condition A is that at the time of the transaction the investment manager is carrying on a business of providing investment management services.
- (4) Condition B is that the transaction is carried out in the ordinary course of that business.
- (5) Condition C is that, when the investment manager acts on behalf of the non-UK resident company in relation to the transaction, the relationship between them, having regard to its legal, financial and commercial characteristics, is a relationship between persons carrying on independent businesses dealing with each other at arm's length.
- (6) Condition D is that the requirements of the 20% rule are met (see section 1147).

Status: This is the original version (as it was originally enacted).

- (7) Condition E is that the remuneration which the investment manager receives in respect of the transaction for the provision of investment management services to the non-UK resident company is not less than is customary for that class of business.