

*These notes refer to the Taxation (International and Other Provisions)
Act 2010 (c.8) which received Royal Assent on 18 March 2010*

TAXATION (INTERNATIONAL AND OTHER PROVISIONS) ACT 2010

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 4: Transfer pricing

Chapter 8: Supplementary provisions and interpretation of Part

Section 217: Meaning of “control” and “firm”

425. This section gives the meaning of “control” and “firm” for the purposes of this Part and also applies a special meaning of “control” for applying the transfer pricing rules in relation to company oil sales. It is based on paragraphs 9 and 14(2) of Schedule 28AA to ICTA.
426. The definition of “control” is by reference to section 1124 of CTA 2010 which has rewritten section 840 of ICTA.
427. Under the definition of control for company oil sales, the oil producer, seller and buyer are connected persons for the purposes of the Part where the control threshold would not otherwise be met because the shareholding is insufficient. This allows the transfer pricing rules to apply where the oil-producing company is owned by a consortium.