



Taxation (International and Other Provisions) Act 2010

2010 CHAPTER 8

PART 2

DOUBLE TAXATION RELIEF

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DOUBLE TAXATION RELIEF BY WAY OF CREDIT

Insurance companies

101 Second limitation for purposes of section 99(2)

(1) If—

(a) the amount of the relevant income after any reduction under section 100(1), exceeds—

(b) the relevant fraction of the profits of the category of business concerned for the period of account in question which are chargeable to corporation tax, the second limitation is to treat the relevant income as further reduced (but not below nil) for the purposes of this Chapter to an amount equal to that fraction of those profits.

(2) In subsection (1) “the relevant fraction” means the fraction given by—

RI

The referable share of total relievable income and gains

where—

“RI” is the amount of the relevant income before any reduction in accordance with section 99(2), and

Status: This is the original version (as it was originally enacted).

“the referable share of total relievable income and gains” is so much in total of the income and gains—

- (a) which arise to the company in the period of account in question, and
- (b) in respect of which credit for foreign tax is to be allowed under any double taxation arrangements or under unilateral relief arrangements for any territory outside the United Kingdom,

as are referable to the category of business concerned (before any reduction in accordance with section 99(2)).

- (3) In subsection (1), any reference to the profits of a category of business is a reference to those profits after the set off of any losses of that category of business which have arisen in any previous accounting period.
- (4) Subsection (2) is to be read with section 104 (determining how much of any income or gain is referable to a category of business).
- (5) In this section “the relevant income” has the meaning given by section 99(2).