



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

Tax underlying dividends: restriction of relief, and particular cases

69 Dividends paid out of transferred profits

- (1) This section applies if—
 - (a) a company resident outside the United Kingdom (“company A”) has paid tax under the law of a territory outside the United Kingdom in respect of any of its profits,
 - (b) some or all of those profits become profits of another company resident outside the United Kingdom (“company B”) otherwise than as a result of the payment of a dividend to company B, and
 - (c) company B pays a dividend out of those profits to another company, wherever resident.
- (2) If this section applies, this Part has effect, so far as relating to the determination of underlying tax in relation to any dividend paid—
 - (a) by any company resident outside the United Kingdom (whether or not company B),
 - (b) to a company resident in the United Kingdom,

Status: This is the original version (as it was originally enacted).

as if company B had paid the tax paid by company A in respect of those profits of company A which have become profits of company B as mentioned in subsection (1) (b).

- (3) But the amount of relief under this Part which is allowable to a company resident in the United Kingdom is not to exceed the amount which would have been allowable to that company had those profits become profits of company B as a result of the payment of a dividend by company A to company B.