

SCHEDULES

SCHEDULE 27

Section 155

PERMANENT ESTABLISHMENT ETC: CONSEQUENTIAL AMENDMENTS

Taxes Act 1988

- 1 (1) The Taxes Act 1988 is amended as follows.
- (2) In section 606 (persons responsible in case of default of administrator of retirement benefits scheme), for subsection (13) substitute—
 - “(13) References in this section to the employer include, where the employer is not resident in the United Kingdom, any person who is treated as UK representative of the employer under section 126 of the Finance Act 1995 or section 150 of the Finance Act 2003.”.
- (3) In section 806L (carry forward or carry back of unrelieved foreign tax), for subsection (7) substitute—
 - “(7) In this section—
 - “overseas permanent establishment” means a permanent establishment through which a company carries on a trade in a territory outside the United Kingdom; and
 - “permanent establishment”—
 - (a) if there are arrangements having effect under section 788 in relation to the territory concerned that define the expression, has the meaning given by those arrangements, and
 - (b) if there are no such arrangements, or if they do not define the expression, has the meaning given by section 148 of the Finance Act 2003.”.
- (4) In Schedule 15 (qualifying policies), in paragraph 24 (policies issued by non-resident companies), in sub-paragraph (3)(b) (twice) and (c) for “branch” substitute “permanent establishment”.

Taxation of Chargeable Gains Act 1992

- 2 (1) The Taxation of Chargeable Gains Act 1992 (c. 12) is amended as follows.
- (2) In section 10 (non-resident with United Kingdom branch or agency)—
 - (a) omit subsection (3); and
 - (b) in subsection (4), omit “or corporation tax”.
- (3) In sections 13(5)(d), 25(7)(b), 106(10), 139(1A), 140A(2), 159(4)(b), 171(1A), 175(2AA), 179(1A), 190(2)(b) and (3)(b), 199(6)(b) and 228(6)(b), and in Schedule 7A, paragraph 1(3A), for “10(3)” substitute “10B”.

Status: This is the original version (as it was originally enacted).

Finance Act 1993

- 3 (1) In sections 93 and 93A of the Finance Act 1993 (c. 34) (use of currency other than sterling) for “branch”, wherever occurring, substitute “permanent establishment”.
- (2) The provisions in which the above amendment is to be made are—
- (a) in section 93, subsection (2)(b) and the definition of “return of accounts” in subsection (7) (twice);
 - (b) in section 93A, subsections (2)(b), (3)(b) and (7)(b).

Finance Act 1995

- 4 (1) Section 126 of the Finance Act 1995 (c. 4) (UK representatives of non-residents) is amended as follows.
- (2) In subsection (1), omit the words “, corporation tax”.
- (3) In subsection (2)—
- (a) after paragraph (b) insert “and”;
 - (b) in paragraph (c) omit the words from “or fall” to “non-resident”; and
 - (c) omit sub-paragraph (d) and the word “and” preceding it.
- (4) For subsection (8) substitute—
- “(8) In this section, “branch or agency” means any factorship, agency, receivership, branch or management.”.
- (5) In subsection (9), omit paragraph (b) and the word “and” preceding it.
- (6) After subsection (9) insert—
- “(10) This section does not apply in relation to income tax chargeable on income of a company otherwise than as a trustee.”.
- 5 (1) Section 127 of the Finance Act 1995 (persons not treated as UK representatives) is amended as follows.
- (2) In subsection (1) for “(a) to (d)” substitute “(a) to (c)”.
- (3) In subsection (5)(b) omit “or 129”.
- (4) In subsection (17), in the definition of “branch or agency” for “the Management Act” substitute “section 126 above”.
- (5) In subsection (19) omit paragraph (b) and the word “and” preceding it.
- 6 In section 128 of the Finance Act 1989 (limit on income chargeable on non-residents: income tax), after subsection (11) insert—
- “(12) This section does not apply in relation to income tax chargeable on income of a company otherwise than as a trustee.”.
- 7 Omit section 129 of the Finance Act 1995 (c. 4) (limit on income chargeable on non-residents: corporation tax).

Finance Act 1996

- 8 In Schedule 15 to the Finance Act 1996 (c. 8) (loan relationships: transitional provisions), in paragraph 8(6)(c)—
- (a) for “10(3)” substitute “10B”, and
 - (b) for “on a disposal by a branch or agency” substitute “attributable to a permanent establishment”.

Finance Act 2000

- 9 In Schedule 15 to the Finance Act 2000 (c. 17) (corporate venturing scheme), in paragraph 79(5) (gain accruing on chargeable event), for “section 10” substitute “section 10B”.