



# Taxation (International and Other Provisions) Act 2010

## 2010 CHAPTER 8

### PART 2

#### DOUBLE TAXATION RELIEF

### CHAPTER 3

#### MISCELLANEOUS PROVISIONS

##### *Deduction for foreign tax where no credit allowed*

#### **113 Deduction from capital gain for foreign tax (instead of credit against UK tax)**

- (1) Subsection (2) applies to tax if it is—
  - (a) chargeable under the law of any territory outside the United Kingdom on the disposal of an asset, and
  - (b) borne by the person making the disposal.
- (2) The tax is allowable as a deduction in the calculation of the gain.
- (3) Subsection (2) is subject to—
  - (a) Chapters 1 and 2 so far as they apply for corporation tax purposes (see, in particular, section 31),
  - (b) Chapters 1 and 2 so far as they apply for capital gains tax purposes (see, in particular, section 31), and
  - (c) section 143 (which includes provision about taking account of special withholding tax when calculating a gain for capital gains tax purposes).
- (4) In subsection (1) “asset” and “disposal” have the same meaning as in TCGA 1992 (see, in particular, section 21 and the following provisions of TCGA 1992).

**Changes to legislation:**

There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 113.