Taxation (International and Other Provisions) Act 2010

2010 CHAPTER 8

PART 4

TRANSFER PRICING

CHAPTER 2

KEY INTERPRETATIVE PROVISIONS

Application of OECD principles

164 Part to be interpreted in accordance with OECD principles

(1) This Part is to be read in such manner as best secures consistency between—

(a) the effect given to sections 147(1)(a), (b) and (d) and (2) to (6), 148 and 151(2), and

(b) the effect which, in accordance with the transfer pricing guidelines, is to be given, in cases where double taxation arrangements incorporate the whole or any part of the OECD model, to so much of the arrangements as does so.

(2) Subsection (1) has effect subject to—

section 147(1)(c) and (7) (oil-related provision to which Part does not apply),

sections 205 and 206 (rules for oil-related ring-fence trades),

section 217(3) to (7) (provision for sales of oil),

section 447(5) and (6) of CTA 2009 (this Part generally does not affect how exchange gains or losses from loan relationships are accounted for), and

section 694(8) and (9) of CTA 2009 (this Part generally does not affect how exchange gains or losses from derivative contracts are accounted for).

(3) In this section "the OECD model" means—

(a) the rules which, at the passing of ICTA (which occurred on 9 February 1988), were contained in Article 9 of the Model Tax Convention on Income and on Capital published by the Organisation for Economic Co-operation and Development, or

(b) any rules in the same or equivalent terms.

[[F1](4) In this section "the transfer pricing guidelines" means—

(a) the version of the Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations approved by the Organisation for Economic Co-operation and Development (OECD) on 22 July 2010 **[**[F2]as revised by the report, Aligning Transfer Pricing Outcomes with Value Creation, Actions 8-10 - 2015 Final Reports, published by the OECD on 5 October 2015**]** , or

(b) such other document approved and published by the OECD in place of that (or a later) version or in place of those Guidelines as is designated for the time being by order made by the Treasury,

including, in either case, **[**[F3]material which is **]** published by the OECD as part of (or by way of update or supplement to) the version or other document concerned **[**[F4]and which is designated for the time being by order made by the Treasury**]** .**]**

(5) In this section "double taxation arrangements" means arrangements that have effect under section 2(1) (double taxation relief by agreement with territories outside the United Kingdom).

Textual Amendments

F1 S. 164(4) substituted (with effect in accordance with s. 58(2) of the amending Act) by Finance Act 2011 (c. 11), **s. 58(1)**

F2 Words in s. 164(4)(a) inserted (with effect in accordance with s. 75(3) of the amending Act) by Finance Act 2016 (c. 24), **s. 75(1)(a)**

F3 Words in s. 164(4) substituted (with effect in accordance with s. 75(3) of the amending Act) by Finance Act 2016 (c. 24), **s. 75(1)(b)(i)**

F4 Words in s. 164(4) substituted (with effect in accordance with s. 75(3) of the amending Act) by Finance Act 2016 (c. 24), **s. 75(1)(b)(ii)**

Changes to legislation:
There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 164.