



# Taxation (International and Other Provisions) Act 2010

## 2010 CHAPTER 8

### [<sup>F1</sup>PART 6A

#### HYBRID AND OTHER MISMATCHES

#### CHAPTER 3

#### HYBRID AND OTHER MISMATCHES FROM FINANCIAL INSTRUMENTS

#### *Introduction*

#### [<sup>F1</sup>259C Overview of Chapter

- (1) This Chapter contains provision that counteracts hybrid or otherwise impermissible deduction/non-inclusion mismatches that it is reasonable to suppose would otherwise arise from payments or quasi-payments under, or in connection with, financial instruments.
- (2) The Chapter counteracts mismatches where the payer or a payee is within the charge to corporation tax and does so by altering the corporation tax treatment of the payer or a payee.
- (3) Section 259CA contains the conditions that must be met for this Chapter to apply.
- (4) Section 259CB defines “hybrid or otherwise impermissible deduction/non-inclusion mismatch” and provides how the amount of the mismatch is to be calculated.
- (5) Section 259CC contains definitions of certain terms used in section 259CB.
- (6) Section 259CD contains provision that counteracts the mismatch where the payer is within the charge to corporation tax for the payment period.

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**Changes to legislation:** *There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 259C. (See end of Document for details)*

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- (7) Section 259CE contains provision that counteracts the mismatch where a payee is within the charge to corporation tax and neither section 259CD nor any equivalent provision under the law of a territory outside the United Kingdom fully counteracts the mismatch.
- (8) See also—
- (a) section 259BB for the meaning of “payment”, “quasi-payment”, “payment period”, “relevant deduction”, “payer” and “payee”, and
  - (b) section 259N for the meaning of “financial instrument”.]

**Textual Amendments**

- F1** Pt. 6A inserted (with effect in accordance with Sch. 10 paras. 18-21 of the amending Act) by [Finance Act 2016 \(c. 24\)](#), [Sch. 10 para. 1](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 259C.