
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2018, Paragraph 2. (See end of Document for details)

SCHEDULES

SCHEDULE 8

CORPORATE INTEREST RESTRICTION

PART 1

AMENDMENTS OF PART 10 OF TIOPA 2010

Hedging of tax-interest expense amounts or tax-interest income amounts etc

- 2 (1) Section 384 (relevant derivative contract debits) is amended as follows.
- (2) In subsection (3), for paragraph (c) substitute—
- “*(c)* it is in respect of a risk arising in the ordinary course of a trade (other than a risk arising in the ordinary course of a financial trade) where the derivative contract was entered into wholly for reasons unrelated to the capital structure of the worldwide group (or any member of the worldwide group).”
- (3) After subsection (3) insert—
- “(3A) For the purposes of subsection (3)(c) a debit is in respect of a risk arising in the ordinary course of “a financial trade” only so far as the risk relates to an amount which is or is likely to be—
- (a) a tax-interest expense amount, or
- (b) a tax-interest income amount,
- of the company in any relevant accounting period.”

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