



Finance Act 1950

1950 CHAPTER 15

PART III

MISCELLANEOUS PROVISIONS AS TO INCOME TAX AND OTHER TAXES

36 Unilateral relief for double taxation

- (1) To the extent appearing from the subsequent provisions of this section and the Sixth Schedule to this Act, relief from income tax and the profits tax shall be given in respect of tax payable under the law of any territory outside the United Kingdom by allowing the last-mentioned tax as a credit against income tax or the profits tax, notwithstanding that there are not for the time being in force any arrangements under Part V of the Finance (No. 2) Act, 1945, providing for such relief.
- (2) The said relief (in the subsequent provisions of this section and in the said Schedule to this Act referred to as "unilateral relief") shall be such relief as would fall to be given under Part I of the Ninth Schedule to the Finance Act, 1947, if arrangements with the Government of the territory in question, containing such provision as appears in so much of Part I of the said Schedule to this Act as applies to that territory, were in force by virtue of Part V of the Finance (No. 2) Act, 1945 :

Provided that the total amount of the credit to be allowed by way of unilateral relief in the case of any income shall not exceed, if the territory is within the Commonwealth territories, three-quarters, and, in any other case, one-half, of the sum of the limits specified in paragraph 4 and sub-paragraph (1) of paragraph 5 of Part I of the said Ninth Schedule.

- (3) The provisions of Part I of the Ninth Schedule to the Finance Act, 1947, shall, as respects unilateral relief, have effect subject to the provisions set out in Part II of the said Schedule to this Act, and any expression occurring in Part I of the said Ninth Schedule, or in subsection (5) of section fifty-one or subsection (5) of section fifty-two of the Finance (No. 2) Act, 1945, which imports a reference to relief under arrangements for the time being in force by virtue of Part V of the last-mentioned Act shall be deemed to import also a reference to unilateral relief.

Status: This is the original version (as it was originally enacted).

- (4) Unilateral relief shall not be given in respect of tax payable under the law of the Republic of Ireland, and section twenty-seven of the Finance Act, 1920, shall, as applied by the agreements set out in the Second Schedule to the Finance Act, 1926, the Fourth Schedule to the Finance Act, 1928, and the Ninth Schedule to the Finance Act, 1948, continue to have effect in relation to the Republic of Ireland.
- (5) Subject to the provisions of subsection (4) of this section, section twenty-seven of the Finance Act, 1920, shall cease to have effect.
- (6) Where, under the law in force in any territory outside the United Kingdom, provision is made for the allowance, in respect of the payment of United Kingdom income tax, of relief from tax payable under that law, the obligation as to secrecy imposed by the Income Tax Acts upon persons employed in relation to Inland Revenue shall not prevent the disclosure to the authorised officer of the Government of that territory of such facts as may be necessary to enable the proper relief to be given under the law thereof.
- (7) References in this section, and in the said Schedule to this Act, to tax payable or tax paid under the law of a territory outside the United Kingdom include only references to taxes which are charged on income or profits and correspond to income tax or the profits tax in the United Kingdom, and, without prejudice to the generality of the preceding words, a tax which is payable under the law of a province, state or other part of a country not being a country within the Commonwealth territories or which is levied by or on behalf of a municipality or other local body, shall not be deemed for the purposes of this subsection to correspond to income tax or the profits tax.
- (8) In this section and the said Schedule to this Act, the expression " income," in relation to the profits tax, means profits.
- (9) In this section and the said Schedule to this Act, the expression " the Commonwealth territories " means His Majesty's dominions, India, the British protectorates and protected states and any trust territory administered by the Government of any part of His Majesty's dominions.
- (10) This section and the said Schedule to this Act shall have effect in relation to the Anglo-Egyptian Sudan as they have effect in relation to a part of His Majesty's dominions.
- (11) This section applies to income tax for the year 1950-51 and all subsequent years of assessment, and to the profits tax for any chargeable accounting period ending after the end of March, nineteen hundred and fifty, but the transitional provisions contained in Part III of the said Schedule to this Act shall have effect in the cases therein referred to.