



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART XVII

TAX AVOIDANCE

[^{F1}CHAPTER IV

CONTROLLED FOREIGN COMPANIES]

Textual Amendments

- F1** [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

747 Imputation of chargeable profits and creditable tax of controlled foreign companies

F2

Textual Amendments

- F2** [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

[^{F3}747A Special rule for computing chargeable profits.

F4]

Textual Amendments

- F3** [S. 747A](#) inserted (1.5.1995) by [Finance Act 1995 \(c. 4\)](#), [Sch. 25 para. 2](#)

Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 04 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- F4** S. 747A repealed (with effect in accordance with Sch. 4 para. 24(2) of the repealing Act) by [Finance Act 2005 \(c. 7\)](#), [Sch. 4 para. 24\(1\)](#), [Sch. 11 Pt. 2\(6\)](#), Note

748 [^{F5}Cases where section 747(3) does not apply.]

^{F6}

Textual Amendments

- F5** S. 748 sidenote substituted (with effect in accordance with [Sch. 17 para. 37](#) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 17 para. 3\(9\)](#); S.I. 1998/3173, [art. 2](#)
- F6** [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

[^{F7}748ZA Exclusion of small profits exemptions

^{F8}]

Textual Amendments

- F7** S. 748ZA inserted (with effect in accordance with [Sch. 12 para. 14\(2\)](#) of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 12 para. 5](#)
- F8** [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

[^{F9}748A Territorial exclusions from exemption under section 748

^{F10}]

Textual Amendments

- F9** S. 748A inserted (with effect in accordance with [s. 89\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 89\(2\)](#)
- F10** [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

[^{F11}749 Residence.

^{F12}]

Textual Amendments

- F11** [Ss. 749-749B](#) substituted for s. 749 (with effect in accordance with [Sch. 17 para. 37](#) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 17 para. 4](#); S.I. 1998/3173, [art. 2](#)
- F12** [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

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[^{F13}**749A Elections and designations under section 749: supplementary provisions.**

^{F14}

Textual Amendments

F13 [Ss. 749-749B](#) substituted for s. 749 (with effect in accordance with [Sch. 17 para. 37](#) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 17 para. 4](#); [S.I. 1998/3173](#), [art. 2](#)

F14 [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with [Sch. 20 paras. 49, 50](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

749B Interests in companies.

^{F15}]

Textual Amendments

F13 [Ss. 749-749B](#) substituted for s. 749 (with effect in accordance with [Sch. 17 para. 37](#) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 17 para. 4](#); [S.I. 1998/3173](#), [art. 2](#)

F15 [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with [Sch. 20 paras. 49, 50](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

750 Territories with a lower level of taxation.

^{F16}

Textual Amendments

F16 [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with [Sch. 20 paras. 49, 50](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

[^{F17}**750A Deemed lower level of taxation: designer rate tax provisions.**

^{F18}]

Textual Amendments

F17 [S. 750A](#) inserted (with effect in accordance with [Sch. 31 para. 9\(2\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), [Sch. 31 para. 3](#)

F18 [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with [Sch. 20 paras. 49, 50](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

751 Accounting periods and creditable tax

^{F19}

Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 04 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

Textual Amendments

- F19** Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

[^{F20}**751A** Reduction in chargeable profits for certain activities of EEA business establishments

F21

Textual Amendments

- F20** Ss. 751A, 751B inserted (with effect in accordance with [Sch. 15 para. 10](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 15 para. 5](#)
- F21** Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

[^{F22}**751AA**^{F23} Reduction in chargeable profits for certain financing income

Textual Amendments

- F20** Ss. 751A, 751B inserted (with effect in accordance with [Sch. 15 para. 10](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 15 para. 5](#)
- F22** S. 751AA inserted (with effect in accordance with [Sch. 16 para. 25](#) of the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 16 para. 23](#)
- F23** Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

[^{F24}**751AB**^{F25} Reduction in chargeable profits: failure to qualify for exemptions

Textual Amendments

- F20** Ss. 751A, 751B inserted (with effect in accordance with [Sch. 15 para. 10](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 15 para. 5](#)
- F24** S. 751AB inserted (with effect in accordance with [Sch. 12 para. 14\(2\)](#) of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 12 para. 2](#)
- F25** Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

[^{F26}**751AC**^{F27} Reduction in chargeable profits following an exempt period

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Textual Amendments

- F20** Ss. 751A, 751B inserted (with effect in accordance with Sch. 15 para. 10 of the amending Act) by Finance Act 2007 (c. 11), **Sch. 15 para. 5**
- F26** S. 751AC inserted (with effect in accordance with Sch. 12 para. 14(2) of the amending Act) by Finance Act 2011 (c. 11), **Sch. 12 para. 7**
- F27** Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

751B [F28Sections 751A [F29to 751AC]]: supplementary

F30]

Textual Amendments

- F20** Ss. 751A, 751B inserted (with effect in accordance with Sch. 15 para. 10 of the amending Act) by Finance Act 2007 (c. 11), **Sch. 15 para. 5**
- F28** Words in s. 751B heading substituted (with effect in accordance with Sch. 16 para. 25 of the amending Act) by Finance Act 2009 (c. 10), **Sch. 16 para. 24(2)**
- F29** Words in s. 751B heading substituted (with effect in accordance with Sch. 12 para. 14(2) of the amending Act) by Finance Act 2011 (c. 11), **Sch. 12 para. 12(6)**
- F30** Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

[F31752 Apportionment of chargeable profits and creditable tax

F32]

Textual Amendments

- F31** Ss. 752-752C substituted for s. 752 (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), **Sch. 17 para. 7**; S.I. 1998/3173, **art. 2**
- F32** Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

[F33752ARelevant interests.

F34

Textual Amendments

- F33** Ss. 752-752C substituted for s. 752 (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), **Sch. 17 para. 7**; S.I. 1998/3173, **art. 2**
- F34** Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

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752B Section 752(3): the percentage of shares which a relevant interest represents.

F35

Textual Amendments

F33 Ss. 752-752C substituted for s. 752 (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 7; S.I. 1998/3173, art. 2

F35 Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

752C Interpretation of apportionment provisions.

F36]

Textual Amendments

F33 Ss. 752-752C substituted for s. 752 (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 7; S.I. 1998/3173, art. 2

F36 Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

753 Notices and appeals.

F37

Textual Amendments

F37 S. 753 repealed (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 8, Sch. 27 Pt. 3(27), Note; S.I. 1998/3173, art. 2

754 Assessment, recovery and postponement of tax.

F38

Textual Amendments

F38 Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

[^{F39}754A Returns where it is not established whether acceptable distribution policy applies.

F40]

Textual Amendments

F39 S. 754A inserted (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 10; S.I. 1998/3173, art. 2

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F40 S. 754A omitted (with effect in accordance with Sch. 16 para. 6 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 16 para. 2(2)** (with Sch. 16 paras. 7, 8)

[^{F41}**754B Determinations requiring the sanction of the Board.**

F42]

Textual Amendments

F41 S. 754B inserted (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), **Sch. 17 para. 11**; S.I. 1998/3173, **art. 2**

F42 Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

755 Information relating to controlled foreign companies

F43]

Textual Amendments

F43 S. 755 repealed (with effect in accordance with Sch. 17 para. 37 of the repealing Act) by Finance Act 1998 (c. 36), Sch. 17 para. 12, **Sch. 27 Pt. 3(27)**, Note; S.I. 1998/3173, **art. 2**

[^{F44}**755A Treatment of chargeable profits and creditable tax apportioned to company carrying on life assurance business.**

F45]

Textual Amendments

F44 S. 755A inserted (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), **Sch. 17 para. 13**; S.I. 1998/3173, **art. 2**

F45 Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

[^{F46}**755B Amendment of return where general insurance business of foreign company accounted for on non-annual basis.**

F47]

Textual Amendments

F46 S. 755B inserted (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), **Sch. 17 para. 14**; S.I. 1998/3173, **art. 2**

F47 Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

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[^{F48}**755C** Application of Chapter where general insurance business of foreign company accounted for on non-annual basis.

^{F49}

Textual Amendments

F48 [S. 755C](#) inserted (with effect in accordance with [Sch. 17 para. 37](#) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 17 para. 15](#); S.I. 1998/3173, [art. 2](#)

F49 [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with [Sch. 20 paras. 49, 50](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

[^{F50}**755D** “Control” and the two “40 per cent” tests.

^{F51}

Textual Amendments

F50 [S. 755D](#) inserted (with effect in accordance with [Sch. 31 para. 9\(3\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), [Sch. 31 para. 4\(1\)](#)

F51 [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with [Sch. 20 paras. 49, 50](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

756 Interpretation and construction of Chapter IV.

^{F52}

Textual Amendments

F52 [Pt. 17 Ch. 4](#) (ss. 747-756) omitted (with effect in accordance with [Sch. 20 paras. 49, 50](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act Tax Acts: power to modify conferred by [2004 c. 25 s. 18](#)
- Act Taxes Acts modified by 1970 c. 9, Sch. A1 para. 10(7) (as inserted) by [2017 c. 32 s. 60\(3\)](#)
- Act Taxes Acts modified by 1970 c. 9, s. 8(7) (as inserted) by [2017 c. 32 Sch. 14 para. 3\(15\)](#)
- Act Taxes Acts modified by 1970 c. 9, s. 8A(7) (as inserted) by [2017 c. 32 Sch. 14 para. 4\(12\)](#)
- Act applied (with modifications) by [S.I. 2010/875 reg. 16Sch. 2](#) (This amendment not applied to legislation.gov.uk. S.I. 2010/875 was revoked (27.8.2010) by SI 2010/1906, reg. 2 without having come into force)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 109A(4B) inserted by [2005 c. 7 Sch. 4 para. 6\(3\)](#) (This amendment not applied to legislation.gov.uk. The amending provision (2005 c. 7, Sch. 4 para. 6) repealed retrospectively by 2005 c. 22, Sch. 6 para. 4(1)(6))
- Sch. 19AB para. 5(5)(a)(b) words substituted by [S.I. 2001/3629 art. 52\(2\)\(n\)](#) (This amendment not applied to legislation.gov.uk. The words to be substituted do not occur in Sch. 19AB para. 5)