

*These notes refer to the Income Tax Act 2007 (c.3)  
which received Royal Assent on 20 March 2007*

# INCOME TAX ACT 2007

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### **Part 15: Deduction of income tax at source**

##### **Overview**

#### *Chapter 9: Manufactured payments*

##### **Overview**

#### *Section 926: Interpretation of Chapter*

2835. This section provides that expressions used both in this Chapter and in Chapter 2 of Part 11 (manufactured payments and repos: manufactured payments) have the same meaning in this Chapter as they do in the earlier Chapter, so avoiding the need to duplicate definitions. It is based on paragraphs 1(1), 2(1), 3(1) and (10), 4(1) and (2A) and 7(1) of Schedule 23A to ICTA and section 153(2) of FA 2003.
2836. *Subsection (2)* provides that references in this Chapter to a trade carried on through a branch or agency are to be read, in relation to a company, as references to a trade carried on through a permanent establishment. This may make a difference in some cases as it is possible for a non-UK resident company to be trading in the UK through a branch or agency but not through a permanent establishment.