



Corporation Tax Act 2009

2009 CHAPTER 4

PART 3

TRADING INCOME

CHAPTER 10

TRADE PROFITS: CHANGES IN TRADING STOCK

Relationship with transfer pricing rules

161 Transfer pricing rules to take precedence

- (1) Section 159 or 160 does not apply if the relevant consideration—
- (a) falls to be adjusted for tax purposes under [^{F1}Part 4 of TIOPA 2010], or
 - (b) falls within [^{F2}that Part] without falling to be so adjusted.
- [^{F3}(2) For the purposes of subsection (1)(b), the relevant consideration falls within Part 4 of TIOPA 2010 without falling to be adjusted under that Part if—
- (a) the condition in section 147(1)(a) of TIOPA 2010 is met, and
 - (b) the participation condition is met (see subsection (3A)), but
 - (c) either—
 - (i) one of the conditions in section 147(1)(c) and (d) of TIOPA 2010 is not met, or
 - (ii) one of the exceptions mentioned in subsection (3) applies.]
- (3) The exceptions are those in—
- (a) section 447(5) (exchange gains or losses from loan relationships)
 - (b) section 694(8) (exchange gains or losses from derivative contracts),
 - [^{F4}(c) section 213 of TIOPA 2010 (saving for provisions relating to capital allowances), and

Status: Point in time view as at 17/07/2013. This version of this provision has been superseded.

Changes to legislation: Corporation Tax Act 2009, Section 161 is up to date with all changes known to be in force on or before 24 June 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)

(d) section 214 of TIOPA 2010 (saving for provisions relating to chargeable gains).]

[^{F5}(3A) Section 148 of TIOPA 2010 (when the participation condition is met) applies for the purposes of subsection (2)(b) as it applies for the purposes of section 147(1)(b) of TIOPA 2010.]

(4) In this section “relevant consideration” means—

- (a) in relation to section 159, the consideration for the disposal of the trading stock, and
- (b) in relation to section 160, the consideration for the acquisition of the trading stock.

Textual Amendments

- F1** Words in s. 161(1)(a) substituted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 8 para. 124\(2\)](#) (with Sch. 9 paras. 1-9, 22)
- F2** Words in s. 161(1)(b) substituted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 8 para. 124\(3\)](#) (with Sch. 9 paras. 1-9, 22)
- F3** S. 161(2) substituted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 8 para. 124\(4\)](#) (with Sch. 9 paras. 1-9, 22)
- F4** S. 161(3)(c)(d) substituted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 8 para. 124\(5\)](#) (with Sch. 9 paras. 1-9, 22)
- F5** S. 161(3A) inserted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 8 para. 124\(6\)](#) (with Sch. 9 paras. 1-9, 22)

Status:

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