



# Corporation Tax Act 2009

## 2009 CHAPTER 4

### PART 2

#### CHARGE TO CORPORATION TAX: BASIC PROVISIONS

#### [<sup>F1</sup>CHAPTER 3A

#### UK RESIDENT COMPANIES: PROFITS OF FOREIGN PERMANENT ESTABLISHMENTS

#### *Anti-diversion rule*

#### [<sup>F1</sup>][<sup>F2</sup>181A] **The excluded territories exemption**

- (1) Chapter 11 of Part 9A of TIOPA 2010 (controlled foreign companies: the excluded territories exemption) applies for the purposes of section 18G(1)(c) with the following modifications.
- (2) Sections 371KB(1)(b)(iii) and 371KH are to be omitted.
- (3) Section 371KC is to be omitted and the assumption set out in section 18I(3)(b) above in relation to the CFC's residence is to be applied instead; and references to "the CFC's territory" are to be read accordingly.
- (4) Section 371KD(3) is to be omitted and references to a CFC's accounting profits for an accounting period are to be read as references to the adjusted relevant profits amount.
- (5) Section 371KE(2)(b) is to be omitted.
- (6) Section 371KF is to be omitted.
- (7) In section 371KG(3) the reference to the CFC's equity or debt is to be read as a reference to company X's equity or debt (ignoring the assumption in section 18I(3)(a) above).

---

*Changes to legislation:* Corporation Tax Act 2009, Section 181A is up to date with all changes known to be in force on or before 12 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) View outstanding changes

---

(8) Section 371KI(2) and (3) is to be omitted.

(9) In section 371KJ—

- (a) in subsection (2)(a), the reference to intellectual property held by the CFC is to be read as a reference to intellectual property held by company X (ignoring the assumption in section 181(3)(a) above), and
- (b) in subsections (2)(b) and (c) and (4), references to the CFC are to be read as references to company X (ignoring that assumption).]]

---

**Textual Amendments**

- F1** Pt. 2 Ch. 3A inserted (19.7.2011) by [Finance Act 2011 \(c. 11\)](#), [Sch. 13 paras. 4, 31](#)
- F2** Ss. 18G-181D substituted for ss. 18G-181 (with effect in accordance with Sch. 20 para. 55(2) of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 6](#)

**Changes to legislation:**

Corporation Tax Act 2009, Section 181A is up to date with all changes known to be in force on or before 12 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.

[View outstanding changes](#)

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

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

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

- s. 322(2A)(zb) inserted by [2016 c. 24 s. 73\(5\)](#)
- s. 1058B(5)(ea) inserted by [2023 c. 20 Sch. para. 57](#)
- s. 1094(2A)-(2C) inserted by [2012 c. 14 Sch. 3 para. 13\(3\)](#)
- s. 1106(4A)-(4C) inserted by [2012 c. 14 Sch. 3 para. 14\(3\)](#)