



Taxation (International and Other Provisions) Act 2010

2010 CHAPTER 8

PART 4

TRANSFER PRICING

CHAPTER 2

KEY INTERPRETATIVE PROVISIONS

“Indirect participation” in management, control or capital of a person

161 Indirect participation: sections 148 and 175: financing cases

- (1) Subsection (2) applies for the purposes of sections 148(2)(a) and (3)(a) and 175(2)(a).
- (2) A person (“P”) is indirectly participating in the management, control or capital of another (“A”) at the time of the making or imposition of the actual provision if—
 - (a) the actual provision relates, to any extent, to financing arrangements for A,
 - (b) A is a body corporate or firm,
 - (c) P and other persons acted together in relation to the financing arrangements, and
 - (d) P would be taken to have control of A if, at any relevant time, there were attributed to P the rights and powers of each of the other persons mentioned in paragraph (c).
- (3) It is immaterial for the purposes of subsection (2)(c) whether P and the other persons acting together in relation to the financing arrangements did so at the time of the making or imposition of the actual provision or at some earlier time.
- (4) In subsection (2)(d) “relevant time” means—

Changes to legislation: There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 161. (See end of Document for details)

- (a) a time when P and the other persons were acting together in relation to the financing arrangements, or
 - (b) a time in the period of six months beginning with the day on which they ceased so to act.
- (5) In determining for the purposes of subsection (2)(d) whether P would be taken to have control of another person (“A”), the rights and powers of any person (and not just P) are to be taken to include those that would be attributed to that person by section 159(2) were it being decided under section 159(2) whether that person is indirectly participating in the management, control or capital of A.
- (6) In this section “financing arrangements” means arrangements made for providing or guaranteeing, or otherwise in connection with, any debt, capital or other form of finance.

Modifications etc. (not altering text)

- C1** Ss. 158-163 applied (with modifications) (with effect in accordance with s. 116(1) of the amending Act) by [Finance Act 2015 \(c. 11\)](#), [s. 106\(7\)\(b\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 161.