



# Taxation (International and Other Provisions) Act 2010

## 2010 CHAPTER 8

### [<sup>F1</sup>PART 6A

#### HYBRID AND OTHER MISMATCHES

#### CHAPTER 11

#### IMPORTED MISMATCHES

#### *Counteraction*

#### [<sup>F1</sup>[<sub>F2</sub>259KF] **Provision for cases within Part 4**

- (1) This section applies where, in calculating the profits and losses of P for tax purposes, the amount to be deducted in respect of the imported mismatch payment is required to be reduced (whether or not to nil) under section 147(3) or (5) (tax calculations to be based on arm's length, not actual, provision).
- (2) For the purposes of section 259KC(2), the amount of the relevant mismatch is to be determined as if the mismatch payment was reduced by the same proportion as the reduction mentioned in subsection (1).
- (3) For the purposes of section 259KC(3)—
  - (a) the amount of the relevant mismatch is taken to be the amount it would have been had the arm's length provision been made or imposed instead of the actual provision in relation to the imported mismatch payment (making such assumptions as to the amount of the mismatch payment as are reasonable in the circumstances), and
  - (b) P's share of the relevant mismatch is to be determined accordingly.

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**Changes to legislation:** There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 259KF. (See end of Document for details)

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(4) In subsection (3) “the arm's length provision” and “the actual provision” are to be construed in accordance with section 147(1).]]

**Textual Amendments**

- F1** Pt. 6A inserted (with effect in accordance with Sch. 10 paras. 18-21 of the amending Act) by [Finance Act 2016 \(c. 24\)](#), **Sch. 10 para. 1**
- F2** S. 259KF inserted (with effect in accordance with Sch. 7 paras. 37-39 of the amending Act) by [Finance Act 2021 \(c. 26\)](#), **Sch. 7 para. 33**

**Changes to legislation:**

There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 259KF.