



Taxation (International and Other Provisions) Act 2010

2010 CHAPTER 8

[^{F1}PART 10]

[^{F1}CORPORATE INTEREST RESTRICTION]

[^{F1}CHAPTER 9

CASES INVOLVING PARTICULAR TYPES OF COMPANY OR BUSINESS

Fair value accounting

[^{F1}457 Elections under section 456: deemed debits and credits

- (1) This section applies if—
 - (a) as a result of an election under section 456, the tax-interest expense amounts of a company include notional debits for an accounting period,
 - (b) the worldwide group of which the company is a member is subject to interest restrictions for a period of account, and
 - (c) the total disallowed amount for the period of account consists of or includes the notional debits.
- (2) In order to facilitate the operation of Chapter 2 (disallowance and reactivation of tax-interest expense amounts)—
 - (a) the company must bring a debit equal to the amount of the notional debits into account in the accounting period, and
 - (b) the company must bring a credit equal to the amount of the notional debits into account in the accounting period,

but nothing in this subsection affects any calculation required under any other provision of this Part in relation to the accounting period of the company.

Changes to legislation: *There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 457. (See end of Document for details)*

- (3) The bringing into account of a debit under subsection (2)(a) is subject to the operation of the other provisions of this Part (which may result in some or all of the debit not being brought into account).
- (4) The debits and credits under subsection (2) are of the same nature as the notional debits that give rise to them.
- (5) For the purposes of this section a debit is a “notional debit” if the debit is created as a result of the determination required by the election or so far as the amount of the debit is increased as a result of that determination.]

Textual Amendments

- F1** Pt. 10: the existing Pt. 10 renumbered as Pt. 11 (except for ss. 375, 376 which are repealed), the existing ss. 372-374, 377-382 renumbered as ss. 499-507 and a new Pt. 10 (ss. 372-498) inserted (with effect in accordance with Sch. 5 para. 25(1)-(3) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), Sch. 5 para. 1, **10(1)(2)(a)(3)** (with Sch. 5 paras. 27, 32-34)

Changes to legislation:

There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 457.