
Changes to legislation: Finance Act 2011, Part 5 is up to date with all changes known to be in force on or before 17 April 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

SCHEDULES

SCHEDULE 12

CONTROLLED FOREIGN COMPANIES

PART 5

MINOR AND CONSEQUENTIAL AMENDMENTS

- 10 In the following provisions of ICTA, for “or 751AA” substitute “, 751AA, 751AB or 751AC ”
- (a) section 747(3A) and (5A) (imputation of chargeable profits and creditable tax of controlled foreign companies),
 - (b) section 749(10) (residence),
 - (c) section 749A(9) (elections and designations under section 749: supplementary provisions), and
 - (d) section 750(3)(ab) (territories with a lower level of taxation).
- 11 In section 751A of that Act (reduction in chargeable profits for certain activities of EEA business establishments), for subsection (4) substitute—
- “(4) The Commissioners may grant the application only if—
- (a) they are satisfied that the specified amount does not exceed the amount (if any) equal to so much of those chargeable profits as can reasonably be regarded as representing the net economic value which—
 - (i) arises to the appropriate body of persons (taken as a whole), and
 - (ii) is created directly by qualifying work, and
 - (b) they have not previously granted an application made by the UK resident company in respect of the relevant accounting period under section 751AB or 751AC.”
- 12 (1) Section 751B of that Act (sections 751A and 751AA: supplementary) is amended as follows.
- (2) For “or 751AA” in subsections (1), (2), (3) (in each place) and (5) substitute “, 751AA, 751AB or 751AC ”.
 - (3) In subsection (2), for paragraph (a) substitute—
 - “(a) may be made at any time before the end of the application period, and”
 - (4) In subsection (8), omit the “and” before paragraph (b), and after that paragraph insert—

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- “(c) in the case of an appeal in respect of the refusal of an application under section 751AB, has the meaning given by subsection (6) of that section, and
- (d) in the case of an appeal in respect of the refusal of an application under section 751AC, has the meaning given by subsection (5) of that section.”

(5) For subsection (10) substitute—

“(10) In this section—

“the application period” means—

- (a) the period within which an amendment to the relevant company tax return may be made by virtue of paragraph 15(4) of Schedule 18 to the Finance Act 1998 (disregarding any extension of that period provided by subsections (3) and (4) of this section or any other enactment), or
- (b) if the relevant company tax return is amended under paragraph 34(2)(b) or (2A) of that Schedule as a consequence of the application of this Chapter—
 - (i) the period of 30 days beginning when the amendment was notified to the company, or
 - (ii) if an appeal is brought against such an amendment, the period of 30 days beginning when that appeal is finally determined;

“relevant company tax return”, in relation to a company, means the return for the accounting period for which—

- (a) any sum is chargeable on the company under section 747(4)(a), or
- (b) any sum would be so chargeable but for section 751A, 751AA, 751AB or 751AC,

in respect of the chargeable profits of the company for the accounting period mentioned in section 751A, 751AA, 751AB or 751AC.”

(6) In the heading for “**and 751AA**” substitute “**to 751AC**”.

13 Omit the following provisions—

- (a) in Schedule 17 to FA 1998, paragraph 3(7), and
- (b) in Schedule 16 to FA 2009, paragraphs 22 and 24(3) and (5).

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

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

- Sch. 23 para. 45(1)(ia) inserted by [2017 c. 10 Sch. 11 para. 6\(3\)](#)
- Sch. 23 para. 2(1A) inserted by [S.I. 2019/397 reg. 2\(2\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked on IP completion day by S.I. 2020/1544, regs. 1, 8; S.I. 2020/1641, reg. 2, Sch.)
- Sch. 23 para. 15A inserted by [S.I. 2019/397 reg. 2\(3\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked on IP completion day by S.I. 2020/1544, regs. 1, 8; S.I. 2020/1641, reg. 2, Sch.)