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## SCHEDULES

### SCHEDULE 10

#### HYBRID AND OTHER MISMATCHES

#### PART 2

##### CONSEQUENTIAL AMENDMENTS

##### *FA 1998*

2 Schedule 18 to FA 1998 (company tax returns) is amended as follows.

3 In paragraph 25(3)—

- (a) insert “ or ” at the end of paragraph (b), and
- (b) omit paragraph (d) and the “or” preceding it.

4 In paragraph 42(4)—

- (a) insert “ or ” at the end of paragraph (a), and
- (b) omit paragraph (c) and the “or” preceding it.

##### *CTA 2009*

5 In section A1 of CTA 2009 (overview of the Corporation Tax Acts), in subsection (2)—

- (a) omit paragraph (h), and
- (b) after that paragraph insert—  
“(ha) Part 6A of that Act (hybrid and other mismatches);”.

##### *CTA 2010*

6 CTA 2010 is amended as follows.

7 In section 938N (group mismatch schemes: priority)—

- (a) omit paragraph (d), and
- (b) after that paragraph insert—  
“(da) Part 6A of that Act (hybrid and other mismatches);”.

8 In section 938V (tax mismatch schemes: priority)—

- (a) omit paragraph (c), and
- (b) after that paragraph insert—  
“(ca) Part 6A of TIOPA 2010 (hybrid and other mismatches);”.

##### *TIOPA 2010*

9 TIOPA 2010 is amended as follows.

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- 10 In section 1 (overview of Act), in subsection (1)—  
 (a) omit paragraph (c), and  
 (b) after that paragraph insert—  
 “(ca) Part 6A (hybrid and other mismatches),”.
- 11 In section 157 (direct participation), in subsection (1)—  
 (a) omit the “and” at the end of paragraph (b), and  
 (b) after paragraph (c) insert “, and  
 (d) in Part 6A, section 259NB(4).”
- 12 In section 158 (indirect participation: defined by sections 159 to 162), in subsection (4)—  
 (a) omit the “and” at the end of paragraph (b), and  
 (b) after paragraph (c) insert “, and  
 (d) in Part 6A, section 259NB(4),”.
- 13 In section 159 (indirect participation: potential direct participant), in subsection (1)—  
 (a) omit the “and” at the end of paragraph (b), and  
 (b) after paragraph (c) insert “, and  
 (d) in Part 6A, section 259NB(4).”
- 14 In section 160 (indirect participation: one of several major participants), in subsection (1)—  
 (a) omit the “and” at the end of paragraph (b), and  
 (b) after paragraph (c) insert “, and  
 (d) in Part 6A, section 259NB(4).”
- 15 Omit Part 6 (tax arbitrage).
- 16 Omit Part 4 of Schedule 11 (tax arbitrage: index of defined expressions used in Part 6).
- 17 After that Part of that Schedule insert—

## “PART 4A

### HYBRID AND OTHER MISMATCHES: INDEX OF DEFINED EXPRESSIONS USED IN PART 6A

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arrangement (in Part 6A)	section 259NF
CFC and CFC charge (in Part 6A)	section 259B(4)
the Commissioners (in Part 6A)	section 259NF
control group (in Part 6A)	section 259NB
deduction period (in Chapter 10 of Part 6A)	section 259JA(5)(a)
dual resident company (in Chapter 10 of Part 6A)	section 259JA(3)

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dual territory double deduction amount section 259JA(5)  
(in Chapter 10 of Part 6A)

dual territory double deduction (in section 259KB  
Chapter 11 of Part 6A)

excessive PE deduction (in Chapter 6 of section 259FA(8)  
Part 6A)

excessive PE deduction (in Chapter 11 of section 259KB  
Part 6A)

financial instrument (in Part 6A) section 259N

foreign CFC and foreign CFC charge (in section 259B(4)  
Part 6A)

foreign deduction period (in Chapter 10 section 259JA(5)(b)  
of Part 6A)

hybrid entity (in Part 6A) section 259BE

hybrid entity deduction period (in section 259IA(2)(a)  
Chapter 9 of Part 6A)

hybrid entity double deduction amount section 259IA(4)  
(in Chapter 9 of Part 6A)

hybrid or otherwise impermissible section 259CB  
deduction/non-inclusion mismatch (in  
Chapter 3 of Part 6A)

hybrid payee (in Chapter 7 of Part 6A) section 259GA(3)

hybrid payee deduction/non-inclusion section 259GB  
mismatch (in Chapter 7 of Part 6A)

hybrid payer (in Chapter 5 of Part 6A) section 259EA(3)

hybrid payer deduction/non-inclusion section 259EB  
mismatch (in Chapter 5 of Part 6A)

hybrid transfer arrangement (in Chapter section 259DB  
4 of Part 6A)

hybrid transfer deduction/non-inclusion section 259DC  
mismatch (in Chapter 4 of Part 6A)

imported mismatch payment (in Chapter section 259KA(2)  
11 of Part 6A)

imported mismatch arrangement (in section 259KA(2)  
Chapter 11 of Part 6A)

investor (in Part 6A) section 259BE(4)

investor deduction period (in Chapter 9 section 259IA(2)(b)  
of Part 6A)

investor jurisdiction (in Part 6A) section 259BE(4)

mismatch payment (in Chapter 11 of Part section 259KA(6)  
6A)

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multinational company (in Chapter 6 of Part 6A)	section 259FA(3)
multinational company (in Chapter 8 of Part 6A)	section 259HA(4)
multinational payee deduction/non-inclusion mismatch (in Chapter 8 of Part 6A)	section 259HB
ordinary income (in Part 6A)	sections 259BC and 259BD
over-arching arrangement (in Chapter 11 of Part 6A)	section 259KA(5)
P (in Chapter 11 of Part 6A)	section 259KA(3)
parent jurisdiction (in Chapter 6 of Part 6A)	section 259FA(3)(a)
parent jurisdiction (in Chapter 8 of Part 6A)	section 259HA(4)(a)
parent jurisdiction (in Chapter 10 of Part 6A)	section 259JA(4)(b)(ii)
payee (in Part 6A)	section 259BB(6)
payee jurisdiction (in Part 6A)	section 259BB(9)
payer (in Part 6A)	section 259BB(1)(a) or (2)
payment (in Part 6A)	section 259BB(1)
payment period (in Part 6A)	section 259BB(1)(b) or (2)
PE jurisdiction (in Chapter 8 of Part 6A)	section 259HA(4)(b)
PE jurisdiction (in Chapter 10 of Part 6A)	section 259JA(4)(a)
PE jurisdiction (in Chapter 11 of Part 6A)	section 259KB(3)(a)
permanent establishment (in Part 6A)	section 259BF
quasi-payment (in Part 6A)	section 259BB(2) to (5)
related (in Part 6A)	section 259NC
relevant deduction (in Part 6A)	section 259BB(1)(b) or (2)(a)
relevant investment fund (in Part 6A)	section 259NA
relevant mismatch (in Chapter 11 of Part 6A)	section 259KA(6)
relevant multinational company (in Chapter 10 of Part 6A)	section 259JA(4)
relevant PE period (in Chapter 6 of Part 6A)	section 259FA(4)
series of arrangements (in Chapter 11 of Part 6A)	section 259KA(5)

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substitute payment (in Chapter 4 of Part 6A) section 259DB(5)

tax (in Part 6A) section 259B

taxable period (in Part 6A) section 259NF

taxable profits (in Part 6A) sections 259BC(2) and 259BD(5)

underlying instrument (in Chapter 4 of Part 6A) section 259DB(3)

underlying return (in Chapter 4 of Part 6A) section 259DB(5)(b)”

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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. 19 para. 12(5)(b) inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(c\)](#)
- Sch. 19 para. 12(5)(a) word inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(b\)](#)
- Sch. 19 para. 51(8)(b) words inserted by [2017 c. 32 Sch. 14 para. 48\(2\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(a\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(b\)](#)
- Sch. 19 para. 12(5)(a) words renumbered as Sch. 19 para. 12(5)(a) by [2017 c. 32 Sch. 14 para. 49\(2\)\(a\)](#)
- Sch. 19 para. 58(1) words substituted by [2017 c. 32 Sch. 14 para. 48\(5\)](#)
- Sch. 20 para. 1(4)(e) inserted by [2021 c. 26 Sch. 27 para. 47\(2\)](#)
- Sch. 20 para. 3(3)(d) and word inserted by [2021 c. 26 Sch. 27 para. 47\(3\)\(b\)](#)
- Sch. 20 para. 5(5) inserted by [2021 c. 26 Sch. 27 para. 47\(5\)](#)
- Sch. 22 para. 2(4B) inserted by [2021 c. 26 Sch. 27 para. 48\(2\)\(c\)](#)
- Sch. 22 para. 3(4A) inserted by [2021 c. 26 Sch. 27 para. 48\(3\)](#)