

---

**Changes to legislation:** There are currently no known outstanding effects for the Finance Act 2018, Cross Heading: Public infrastructure. (See end of Document for details)

---

## SCHEDULES

### SCHEDULE 8

#### CORPORATE INTEREST RESTRICTION

#### PART 1

#### AMENDMENTS OF PART 10 OF TIOPA 2010

##### *Public infrastructure*

- 7 (1) Section 433 (meaning of “qualifying infrastructure company”) is amended as follows.
- (2) In subsection (1)(c), for “(see subsection (11))” substitute “ (see subsections (11) and (12)) ”.
- (3) In subsection (11)(a), for “activity that the company carries on” substitute “ source of income that the company has ”.
- (4) After subsection (11) insert—
- “(12) In determining whether the condition in subsection (11)(a) is met in the case of a company not resident in the United Kingdom in an accounting period, a source of income of the company is ignored if, having regard to all the circumstances, it is reasonable to regard as insignificant the amount of income arising in the accounting period from the source.”
- 8 (1) Section 434 (elections under section 433) is amended as follows.
- (2) In subsection (1)(a), for “the beginning” substitute “ the end ”.
- (3) In subsection (5), after paragraph (a) (but before the “and” at the end of it) insert—
- “(ab) the time of the transfer falls in a period of account of a worldwide group of which both the transferor and transferee are members.”
- 9 (1) Section 436 (meaning of “qualifying infrastructure activity”) is amended as follows.
- (2) In subsection (2)(d), for “(see subsection (10))” substitute “ (see subsections (10) and (10A)) ”.
- (3) After subsection (10) insert—
- “(10A) In determining whether the condition in subsection (10)(b) is met in relation to a company not resident in the United Kingdom at any time, a source of income of the company is ignored if, having regard to all the circumstances, it is reasonable to regard as insignificant the amount of income arising from the source for the accounting period including that time.”

---

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2018, Cross Heading: Public infrastructure. (See end of Document for details)*

---

- 10 In section 443 (interest capacity for group with qualifying infrastructure company etc), for subsection (2) substitute—
- “(2) There is an exception to the general rule (see subsections (4) and (5)) which—
- (a) applies if no tax-interest income amounts of any qualifying infrastructure company (“Q”) which is a member of the group for the period are receivable from another qualifying infrastructure company which is not a member of the group for the period but is a related party of Q at any time in that period, and
- (b) depends on the comparison set out in subsection (3),
- and, for the purposes of paragraph (a), tax-interest income amounts are to be ignored if, having regard to all the circumstances, it is reasonable to regard the amounts as insignificant.”
- 11 In section 444 (joint venture companies), in subsection (1), after “a qualifying infrastructure company (“the joint venture company”)” insert “ which is the ultimate parent of a worldwide group at all times in that period ”.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2018, Cross Heading:  
Public infrastructure.