

## SCHEDULES

### SCHEDULE 4

#### AVOIDANCE INVOLVING PROFIT FRAGMENTATION ARRANGEMENTS

##### *Double taxation*

- 8 (1) This paragraph applies where—
- (a) the resident party has paid a relevant tax by virtue of the application of paragraph 7,
  - (b) at any time, the resident party or another person pays—
    - (i) a further amount of the relevant tax, or
    - (ii) an amount of non-UK tax corresponding to the relevant tax, and
  - (c) the result is a double payment of tax calculated by reference to the same income or profits.
- (2) In order to avoid the double payment of tax, the resident party may make a claim in writing for one or more consequential adjustments to be made in respect of the tax paid mentioned in sub-paragraph (1)(a).
- (3) On a claim under this paragraph an officer of Revenue and Customs must make such of the consequential adjustments claimed (if any) as are just and reasonable.
- (4) The amount of any consequential adjustments must not exceed the lesser of—
- (a) the tax paid by the resident party as mentioned in sub-paragraph (1)(a), and
  - (b) the tax paid as mentioned in sub-paragraph (1)(b).
- (5) Consequential adjustments may be made—
- (a) in respect of any tax period,
  - (b) by way of an assessment, the modification of an assessment, the amendment of a claim or otherwise, and
  - (c) despite any time limit imposed by or under any enactment.