

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2019, Cross Heading: TIOPA 2010. (See end of Document for details)

SCHEDULES

SCHEDULE 5

NON-UK RESIDENT COMPANIES CARRYING ON UK PROPERTY BUSINESSES ETC

Modifications etc. (not altering text)

C1 Sch. 5 modified (22.7.2020) by [Finance Act 2020 \(c. 14\)](#), [Sch. 6 para. 10](#)

PART 2

SUPPLEMENTARY & CONSEQUENTIAL AMENDMENTS

TIOPA 2010

32 Part 10 of TIOPA 2010 (corporate interest restriction) is amended as follows.

Commencement Information

II Sch. 5 para. 32 in force at 6.4.2020, see Sch. 5 para. 35

33 (1) Section 415 (qualifying net group-interest expense: interpretation) is amended as follows.

(2) In subsection (1) for paragraph (b) substitute—

“(b) either—

(i) the condition in subsection (1A) is met, or

(ii) any of the conditions in subsection (2) is met in relation to the guarantee, indemnity or other financial assistance in question”.

(3) After subsection (1) insert—

“(1A) The condition is that—

(a) the member in question is a company that has not been UK resident at any time before 29 October 2018,

(b) the financial assistance in question is provided before that date, and

(c) the financial assistance in question is in respect of a loan relationship, derivative contract or relevant arrangement or transaction (within the meaning of section 382(4)) to which the member in question is a party for the purposes of its UK property business.”

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Commencement Information

I2 Sch. 5 para. 33 in force at 6.4.2020, see Sch. 5 para. 35

34 In section 438 (exemption for interest payable to third parties etc) after subsection (5) insert—

“(5A) For the purposes of subsection (4) a guarantee, indemnity or other financial assistance in favour of the creditor is also ignored if—

- (a) it is provided before 29 October 2018,
- (b) the company concerned has not been UK resident at any time before that date, and
- (c) the amount concerned is in respect of a loan relationship, derivative contract or relevant arrangement or transaction (within the meaning of section 382(4)) to which the member in question is a party for the purposes of its UK property business.”

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Commencement Information

I3 Sch. 5 para. 34 in force at 6.4.2020, see Sch. 5 para. 35

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