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Finance Act, 2008

Section 59 - UK residents and foreign enterprises

1) In ICTA, after section 815A insert- "815AZA UK residents and foreign enterprises (1) Where arrangements having effect under section 788 make the provision mentioned in subsection (2) (however expressed), that provision does not prevent income of a person resident in the United Kingdom being chargeable to income tax or corporation tax. (2) The provision is that the profits of an enterprise which is resident outside the United Kingdom, or carries on a trade, profession or business the control or management of which is situated outside the United Kingdom, are not to be subject to United Kingdom tax except in so far as they are attributable to a permanent establishment of the enterprise in the United Kingdom. (3) A person is resident in the United Kingdom for the purposes of this section if the person is so resident for the purposes of the arrangements having effect under section 788. (4) This section does not apply in relation to- (a) income of a company resident in the United Kingdom to which section 115(5A) applies, or (b) income of a person resident in the United Kingdom to which section 858 of ITTOIA 2005 applies." (2) The amendment made by subsection (1) has effect in relation to income arising on or after 12 March 2008.