Form EU Interest & Royalties


CLAIM to repayment of United Kingdom income tax deducted from interest and royalties.

APPLICATION for relief at source from United Kingdom income tax on interest payments.

Use this form where a company, or a permanent establishment of a company, in another Member State of the European Union receives interest or royalties from an ‘associated company’ in the United Kingdom.

- Please use the EU Interest & Royalties Notes at the end of this form to help you complete this form.
- Give all the information requested and attach supporting documents where necessary. If you need more room, attach a separate sheet. Remember to sign the declaration in Part E, giving details of the capacity in which you sign.
- See Note 3 for information about where to send the completed form EU Interest & Royalties.
- If you claim repayment on behalf of the company or permanent establishment, there is no need to send tax deduction certificates with the claim but you should keep them safe - see Note 6.

Note: In making this claim/application, you are consenting to the tax authority of the Member State in which the claimant company is resident (or where the permanent establishment is situated) certifying its tax status in that Member State to HM Revenue & Customs (see Note 3). Completion of this form constitutes the provision of a certificate for the purposes of Regulation 4 of SI 2004/2622 when claiming relief on interest payments.

If you need help with this form, please
- visit our website www.gov.uk and look for DT Guidance Note 11 in the Search facility
- or contact: HMRC, S0842, Barkley House, Floor 2, LB DT Treaty Team, Central Mail Unit, Newcastle, NE98 1ZZ
  Phone: + 44 3000 547584 if calling from outside the UK, or 03000 547584 if calling from the UK.

Part A  Details of the company (or permanent establishment) receiving the income

<table>
<thead>
<tr>
<th>Full name of the company or permanent establishment</th>
<th>If the company or permanent establishment has a tax adviser, please give details.</th>
</tr>
</thead>
<tbody>
<tr>
<td>__________________________________________________</td>
<td>Name and address of tax adviser or authorised person</td>
</tr>
<tr>
<td>Full registered address (do not use ‘care of’ address)</td>
<td>____________________________________________</td>
</tr>
<tr>
<td>__________________________________________________</td>
<td>Telephone number</td>
</tr>
<tr>
<td>__________________________________________________</td>
<td>Fax number</td>
</tr>
<tr>
<td>Telephone number</td>
<td>_____________________________</td>
</tr>
<tr>
<td>Fax number</td>
<td>____________________________________________</td>
</tr>
<tr>
<td>Reference (if any)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For use by the tax authority in the other Member State of the European Union

Please complete this section, affix your official stamp and send this form to HMRC, S0842, Barkley House, Floor 2, LB DT Treaty Team, Central Mail Unit, Newcastle, NE98 1ZZ.

You may wish to take a copy of this form for your records.

I certify that ____________________________________________ is (‘✓’ as appropriate)

- ☐ a company resident in ____________________________________________ (name of Member State)
- ☐ a permanent establishment situated in ____________________________________________ (name of Member State)

within the meaning of Article 3(a)(ii) or 3(c) respectively of the EU Directive dealing with payments of interest and royalty payments between associated companies (2003/49/EC).

Signature ____________________________________________ Date __________________
**Part B  Questions about the company or permanent establishment**

- For a **company** *(as defined in Article 3(a) of the Interest & Royalties Directive – see Note 8.1 in the EU Interest & Royalties Notes)* please answer all of the questions except questions 4 and 5.
- For a **permanent establishment** *(as defined in Article 3(c) of the Interest & Royalties Directive - see Note 1)* please answer all questions except question 3.

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Is this the company's, or permanent establishment's, first claim (or application) under the Interest &amp; Royalties Directive?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. In which Member State of the European Union is the company or the permanent establishment resident for tax purposes?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(If this claim is being made by a permanent establishment, say in which Member State the controlling company is resident for tax purposes.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Is this claim being made by a company?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>If 'Yes', say which type of concern (as listed in Article 3(a) of the Directive – see Note 8.1) the company is, and answer question 6.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If 'No', answer question 4.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Is this claim being made by a 'permanent establishment' as defined at Article 3(c) of the Directive?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>If 'Yes', answer question 5.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If 'No', please explain on a separate sheet of paper why you claim to be able to benefit from the terms of the Directive.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Is the payment that is shown at Part C of this claim form effectively connected with the permanent establishment?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>If 'Yes', answer question 6.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If 'No', please explain on a separate sheet why the permanent establishment claims to be able to benefit from the terms of the Directive.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Which of the taxes specified at Article 1(5)(b) or Article 3(a)(iii) of the Directive is the company or permanent establishment subject to 'without being exempt'?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(If subject to a tax that is identical or substantially similar that has been imposed since the Directive came into force, give the full name of the tax.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Do you own directly at least 25% of the issued share capital and/or voting rights of the company paying the interest and/or royalties?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>If 'No', answer question 8.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Does the company which is paying the interest/royalties own directly at least 25% of the issued share capital and/or voting rights of your company?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>If 'No', answer question 9.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Does a third company own directly at least 25% of the issued share capital and/or voting rights in both your company <strong>and</strong> in the UK company making the interest or royalty payment(s)?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>If 'Yes', give on a separate sheet the full name and registered address of that company.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. On what date does the accounting period (of the claimant) end each year?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If, exceptionally, a different year end date applies to the income shown (if any) in Part C1 of this form, give full details on a separate sheet.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Part C1  Interest and royalties - Claim for repayment of UK income tax**

If the company or permanent establishment has already received payments of **interest or royalties** with UK tax deducted, please give details below to claim repayment under the Interest and Royalties Directive.

The income is (‘✓’ as appropriate)

- **Interest**  
- **Royalties**

<table>
<thead>
<tr>
<th>Name and address of the UK payer of the income</th>
<th>Date of payment of income</th>
<th>Amount of income before UK tax £</th>
<th>Amount of UK tax deducted £</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Totals**

|                           |                           |                               |                            |

**Part C2  Interest – Application for relief at source from UK income tax**

Complete the columns below giving the information requested, to apply on behalf of the company or permanent establishment for relief at source from UK income tax.

**This is available for UK interest payments only.**

<table>
<thead>
<tr>
<th>Name and address of the UK payer of the interest</th>
<th>Date of the loan agreement*</th>
<th>Amount of the loan</th>
<th>Due date(s) of the interest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

What is the name and **reference number** of the UK tax office dealing with the company that is paying the interest?

**Please attach a copy of the loan agreement(s).**
Part D  Repayment instructions

Complete this part if you want us to make the repayment to a bank or other nominee. If you leave this part empty, the repayment will be made direct to the company at the address you have shown in Part A of this form.

I,  
(Enter your full name)

as  
(Enter status - for example, company secretary, treasurer, or authorised agent)

of  
(Enter name of the claimant company or concern)

authorise the bank or other nominee below to receive the amount due on the company's behalf.

Name of bank or other nominee  

Address of bank or other nominee  
Postal code

Account number  UK bank sort code (if appropriate)

Nominee's reference number (if there is one) for the company.

Signature  
(Now also complete and sign the Declaration in Part E below)

Part E  Declaration  (complete this part in all cases)

The company or permanent establishment is beneficially entitled to the income from the source(s) included in this form.

The information I have given in this claim/application is correct and complete to the best of my knowledge and belief.

I declare that the transaction to which this claim/application relates does not fall within the exclusions set out in Section 765(1) or (2) (as appropriate) of ITTOIA 2005.

On behalf of the company or permanent establishment

‘✓’ as appropriate

☐ I claim repayment of  £

(Enter the total amount of UK income tax from Part C1)

☐ As the income is UK interest, I apply for relief at source from UK income tax and undertake to tell HM Revenue & Customs if there is any material change to the information that I have given on this form.  (See Note 7)

Signature  
Date

Print your name below and say in what capacity you are signing.

For use by HM Revenue & Customs

Examined  

£

Authorised  

HMRC date stamp

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EU Interest & Royalties Notes

Use these Notes to help you complete form EU Interest & Royalties. If you need further information, please contact HM Revenue & Customs. Our address, telephone and fax numbers are in Note 10.

1. Purpose of form EU Interest & Royalties
Form EU Interest & Royalties enables
- a company that is resident for tax purposes in another Member State of the European Union
- a permanent establishment in a Member State of the European Union of a company that is resident for tax purposes in another Member State of the European Union

that is receiving interest or royalties arising in the United Kingdom to
- claim repayment of UK income tax in cases where payments of interest and/or royalty income have been made with UK tax deducted
- apply for relief at source from UK income tax under the EU Directive on interest payments between associated companies

where relief is due from such tax under the Directive on those payments.

It is not possible to ask HM Revenue & Customs for advance authority to pay royalties without deduction of tax. That is an option available for interest payments only. Instead, Section 914 Income Tax Act 2007 provides for the UK payer of a royalty to make a payment without deduction of tax if all the conditions for exemption set out in Section 758 ITTOIA 2005 are present.

Permanent establishment
The term ‘permanent establishment’ is defined at Article 3(c) of the Directive as ‘a fixed place of business situated in a Member State through which the business of a company of another Member State is wholly or partly carried on.’

2. Who can sign the declaration on the form
A responsible officer of the company or permanent establishment should sign the declaration. An agent (tax adviser), or other duly authorised person acting with the authority of the claimant/applicant may sign on their behalf.

3. Evidence of residence in a Member State of the European Union and where to send the completed form
It is a condition of relief from UK income tax under the terms of the Directive that the beneficial owner of the income is resident in a Member State of the European Union. The tax authorities of the country in which the company is resident will therefore need to certify that the company or permanent establishment is resident in that country for the purposes of tax. The appropriate office should certify the form and send it direct to HM Revenue & Customs.

4. Confidentiality
All the information that you provide to HM Revenue & Customs is confidential. We can therefore only discuss the tax affairs of the company or permanent establishment with
- an officer of the company and/or
- any agent (tax adviser) who is nominated by the company or concern.

5. UK Interest and Royalties
Loan interest
Please attach a copy of the loan agreement(s).

Royalties
Where the company (or permanent establishment) is the originator of a process or design etc., please attach a copy of the licence agreement between the company or permanent establishment and the UK payer of the royalties.

The EU Directive on payments of Interest & Royalties allows relief only to the beneficial owner of the royalties. The beneficial owner is normally the originator of the work or product. If the company (or permanent establishment) is not the originator of the product giving rise to the royalties but has acquired the rights, please also attach a copy of the licence, contract or assignment under which the UK rights have been acquired.
6. Repayment claims and tax deduction certificates
There is no need to send tax deduction certificates with the completed form EU Interest & Royalties. Please make sure that you have all the original tax deduction certificates and keep them safe, as HM Revenue & Customs may ask to see them later.

7. Relief at source from UK income tax on future interest payments
This form of relief is available for UK-source interest payments only.
Relief at source from UK income tax on future payments of interest income is available in cases where HM Revenue & Customs is able to issue an exemption notice under The Exemption From Tax For Certain Interest Payments Regulations 2004 - Statutory Instrument Number 2622 of 2004, SI 2004/2622.
When relief at source is granted, you are required to tell HM Revenue & Customs at the address in Note 10, as soon as possible, if there is any subsequent change to the material conditions underlying the granting of relief (see Regulation 6 of SI 2004/2622) and which you have detailed in this claim form.

8. Which business concerns qualify to claim the benefits of the EU Directive?
8.1 List of companies covered by Article 3(a) of the original Directive (see Annex to Directive):

<table>
<thead>
<tr>
<th>Country</th>
<th>Companies under</th>
<th>Law</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>companies under</td>
<td>Austrian</td>
</tr>
<tr>
<td>Belgium</td>
<td>companies under</td>
<td>Belgian</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>companies under</td>
<td>Bulgarian</td>
</tr>
<tr>
<td>Cyprus</td>
<td>companies under</td>
<td>Cypriot</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>companies under</td>
<td>Czech</td>
</tr>
<tr>
<td>Denmark</td>
<td>companies under</td>
<td>Danish</td>
</tr>
<tr>
<td>Estonia</td>
<td>companies under</td>
<td>Estonian</td>
</tr>
<tr>
<td>Finland</td>
<td>companies under</td>
<td>Finnish</td>
</tr>
<tr>
<td>France</td>
<td>companies under</td>
<td>French</td>
</tr>
<tr>
<td>Germany</td>
<td>companies under</td>
<td>German</td>
</tr>
<tr>
<td>Greece</td>
<td>companies under</td>
<td>Greek</td>
</tr>
<tr>
<td>Hungary</td>
<td>companies under</td>
<td>Hungarian</td>
</tr>
<tr>
<td>Ireland</td>
<td>companies in</td>
<td>Irish</td>
</tr>
<tr>
<td>Italy</td>
<td>companies under</td>
<td>Italian</td>
</tr>
<tr>
<td>Latvia</td>
<td>companies under</td>
<td>Latvian</td>
</tr>
<tr>
<td>Lithuania</td>
<td>companies incorporated under</td>
<td>Lithuania</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>companies under</td>
<td>Luxembourg</td>
</tr>
<tr>
<td>Malta</td>
<td>companies under</td>
<td>Maltese</td>
</tr>
<tr>
<td>Netherlands</td>
<td>companies under</td>
<td>Dutch</td>
</tr>
<tr>
<td>Poland</td>
<td>companies under</td>
<td>Polish</td>
</tr>
</tbody>
</table>

Note: The list above includes companies under the laws of Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, and Poland.
Portugal  commercial companies or civil law companies having a commercial form, cooperatives and public undertakings incorporated in accordance with Portuguese law.

Romania  companies under Romanian law known as: "societăţi pe acţiuni", "societăţi în comandită pe acţiuni", "societăţi cu răspundere limitată".

Slovakia  companies under Slovak law known as akciová spolocnost, spolocnost s rucením obmedzeným, komanditná spolocnost, verejná obchodná spolocnost, družstvo.

Slovenia  companies under Slovenian law known as delniška družba, komanditna delniška družba, komanditna družba, družba z omejeno odgovornostjo, družba z neomejeno odgovornostjo.

Spain  companies under Spanish law known as sociedad anónima, sociedad comanditaria por acciones, sociedad de responsabilidad limitada and those public law bodies which operate under private law.

Sweden  companies under Swedish law known as aktiebolag and försäkringsaktiebolag.

8.2 A company is an ‘associated company’ if it meets the minimum shareholding requirements of Section 761 ITTOIA 2005, that is 25% or more of the capital or voting rights, and is a company in another Member State of the European Union (Section 758(3) ITTOIA 2005).

Permanent establishments
To qualify for exemption from UK tax under the terms of the Directive a permanent establishment making an claim/application must, under Article 1(5)(b), ‘insofar as the payments of the interest or royalties represent income in respect of which it is subject in the Member State in which it is situated be subject to one of the taxes mentioned in Article 3(a)(iii) or in the case of Belgium to the impôt des non-résidents/belasting der niet-verblijfhouders or in the case of Spain to the Impuesto sobre la Renta de no Residentes or to a tax which is identical or substantially similar and which is imposed after the date of entry into force of this Directive in addition to, or in place of, those existing taxes.’

9. List of the taxes a company (or permanent establishment) claiming exemption must be subject to in a Member State
To qualify for exemption from UK tax under the terms of the Directive a company making a claim/application must be subject to one of the following taxes without being exempt (or to a tax that is identical or substantially similar and which is imposed after the date of entry into force of the Directive) that are identified in Article 3(a)(iii) of the Directive:

Austria  Körperschaftsteuer in Austria.
Belgium  impôt des sociétés/vennootschapsbelasting in Belgium.
Bulgaria  корпоративен данък in Bulgaria.
Cyprus  φόρος εισοδήματος in Cyprus.
Czech Republic  Dan z príjmu právnických osob in the Czech Republic.
Denmark  selskabsskat in Denmark.
Estonia  Tulumaks in Estonia.
Finland  yhteisöjen tulovero/inkomstskatten för samfund in Finland.
France  impôt sur les sociétés in France.
Germany  Körperschaftsteuer in Germany.
Greece  Φόρος εισοδήματος νομικών προσώπων in Greece.
Hungary  Társasági adó in Hungary.
Ireland  corporation tax in Ireland.
Italy  imposta sul reddito delle persone giuridiche in Italy (imposta sul reddito delle societa from 2004).
Latvia  Uznemumu ienakuma nodoklis in Latvia.
Lithuania  Pelno mokestis in Lithuania.
Luxembourg  impôt sur le revenu des collectivités in Luxembourg.
Malta  Taxxa fuq l-income in Malta.
Netherlands  vennootschapsbelasting in the Netherlands.
Poland  Podatek dochodowy od osób prawnych in Poland.
Portugal  imposto sobre o rendimento da pessoas colectivas in Portugal.
Romania  impozit pe profit, impozitul pe venituriile obținute din România de nerezidenți in Romania.
Slovakia  Dan z príjmov právnických osôb in Slovakia.
Slovenia  Davek od dobicka pravnih oseb in Slovenia.
Spain  impuesto sobre sociedades in Spain.
Sweden  statlig inkomstskatt in Sweden.
10. Help or further information

If, after using these Notes you need help or more information, please

- visit our website www.gov.uk and look for DT Guidance Note 11 in the Search facility
- phone HM Revenue & Customs, LB DT Treaty Team:
  +44 3000 547584 if calling from outside the UK, or 03000 547584 if calling from the UK
- or write to
  HMRC
  S0842
  Barkley House
  Floor 2
  LB DT Treaty Team
  Central Mail Unit
  Newcastle
  NE98 1ZZ

  Our fax number is +44 3000 564002 from outside the UK, or 03000 564002 from inside the UK.
  Our team mailbox address is dtteam.lbnottingham@hmrc.gsi.gov.uk

Please quote the company’s or permanent establishment’s reference number at HM Revenue & Customs
(for example ‘12/A/123456’) whenever you contact us.

These notes are for guidance only and reflect the UK tax position at the time of writing. They do not affect any rights of appeal.