



Use these notes to help you complete form DT-Company. If you need further information, please contact HM Revenue and Customs Large Business DT Treaty Team. Our address, phone and fax numbers are in Note 6.

1. Purpose of the form DT-Company

Form DT-Company enables a company or an unincorporated concern (such as a pension fund or partnership) that:

- is in a country that has a comprehensive Double Taxation Convention with the United Kingdom
- has interest or royalties arising in the UK

to apply for relief at source from UK income tax under the Double Taxation Convention. If interest or royalty payments have been made with UK income tax deducted, the form may be used to claim repayment of the UK tax.

Depending on the terms of the Double Taxation Convention between the UK and the company's country of residence, interest may be taxed at a 'nil' rate or, for example, a rate of 10%. A similar rule applies to royalties, but the rate of tax may differ from that for interest.

The rate of tax for each source of income is laid down in the text of the appropriate Double Taxation Convention. HM Revenue and Customs publishes the Digest of Double Taxation Treaties (DT Digest), which contains a summary of the relief available under each Double Taxation Convention. Use the information in the DT Digest to help you complete the form DT-Company. To read the DT Digest online go to www.gov.uk and search for 'Treaty Digest'.

2. Tax vouchers

There is no need to send tax vouchers with the completed claim form DT-Company, but you should keep them in case they are needed later to support it. You can send the vouchers if you think they will help us deal with the claim.

3. Certification of the form by the taxation authorities of the company's country of residence

A requirement for relief under a Double Taxation Convention is that the taxation authorities of the company's country of residence regard it as resident there for the purpose of that country's taxation. Send the completed form DT-Company to the taxation authorities of the company's country of residence. By doing this, you are consenting to the taxation authorities of the country of residence certifying to HM Revenue and Customs (the UK tax authority) that the company is resident in the other country within the meaning of the Double Taxation Convention between the UK and that country.

The taxation authorities of the country of residence will then either:

- send the certified form direct to HM Revenue and Customs
- return the form to you to send to HM Revenue and Customs at the address in Note 6

In some cases, the taxation authorities of the company's country of residence may not wish to stamp and sign the form DT-Company. If so, please ask them to provide a separate 'standalone' certificate to confirm that the company is resident for tax purposes in that country within the meaning of the Double Taxation Convention with the UK.

4. Beneficial ownership

Most of the UK's Double Taxation Conventions provide for relief to be available to the beneficial owner of the income. Where a claimant is required to pass on the income in respect of which the claim is made it may not be the beneficial owner of the income for the purposes of the Double Taxation Convention. For more information read the HM Revenue and Customs guidance published in our International Manual (INTM). To read the guidance online go to www.gov.uk and search for 'International Manual'. The required information is at INTM332000 onwards.

Where the company or concern does not satisfy the 'international fiscal meaning' of beneficial ownership but believes that because of the policy statements that are made in the guidance it is still able to obtain treaty benefits, you should:

- tick box 2(b) in the declaration in Part F of the form
- include with the claim a note giving the information mentioned at INTM332070 – reproduced on the next page for ease of reference

“Where structures are within the ambit of the Indofood decision, that is to say, the structure has the accessing of treaty benefits as one of its effects, it is possible that applications [to HM Revenue and Customs] for benefits under a Double Taxation Convention (DTC) will fall at the first hurdle unless the applicant can demonstrate beneficial ownership. The application might simply be regarded as invalid and never reach the stage where it can be considered in terms of the object and purpose of the particular DTC under which the application is made.

However, where the claimant Special Purpose Vehicle (SPV) does not satisfy the ‘international fiscal meaning’ of beneficial ownership but believes that it is still able to obtain treaty benefits because of the policy confirmed in this guidance, it should make its claim and include a note to that effect. To ease consideration of the claim, the note should include full details as to:

- a full structure diagram and explanation of the capital and interest flows
- why the SPV is considered to be the beneficial owner within the ‘international fiscal meaning’
- demonstrate that the structure does not abuse the DTC under which the claim is made either relating the structure to the examples at INTM332080 or otherwise”

Where a claim/application for relief from UK tax is made by a partnership or other concern that is not a taxable person or is otherwise ‘transparent for tax purposes’ under the law of its country of residence, you should tick box 2(b) in the declaration in Part F of the form and provide additional information as outlined in the HM Revenue and Customs guidance at INTM335500.

‘Subject to tax’ condition

If the condition for relief from UK tax in the Double Taxation Convention is not ‘beneficial ownership’ and instead it is that the income must be subject to tax in the hands of the claimant you should tick box 2(a) in the declaration in Part F of the form. Go to the DT Digest for information about whether the treaty has a ‘subject to tax’ condition.

5. Claims on behalf of partnerships and LLCs

Double Taxation Conventions (DTCs) do not normally give the right to claim relief to partnerships and LLCs where these are tax-transparent. Instead, in those cases where the income of the concern is taxable in the hands of its partners or members (rather than at the level of the concern itself) each of those should in strictness make a separate claim to treaty relief.

HM Revenue and Customs recognises that adopting this strict approach may impose an unreasonable administrative burden on claimants which is not needed in many cases to give effect to the intent and purpose of the treaty.

In such cases, and without prejudice to our right to require individual claims, we will normally be prepared to accept a single (composite) claim in the name of the partnership or LLC. This must include the following features, in addition to the normal information that is required by the form DT-Company:

- 1 In all cases the general or managing partner/member should sign the declaration in Part F of form DT-Company.
- 2 Where all the partners/members are resident for tax purposes in the same country as the one in which the partnership or LLC is established (the country with which the DTC applies), attach to the claim a list of the names and addresses of the partners/members. The list should show residential addresses for individuals and registered addresses where the partners/members are companies.
- 3 Where any partner/member is resident for tax purposes in a different country to the one in which the partnership or LLC is established, attach the list described above. The list must also include for each member/partner their respective percentage share of the income that is the subject of the claim.

Any partner/member resident for tax purposes in a different country to that in which the partnership or LLC is established will also need to make a separate claim to relief from UK tax under the terms of any relevant DTC. The DT Digest lists all of the UK’s comprehensive DTCs.

6. Help or further information

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

- visit our website www.gov.uk and Search for double taxation relief for overseas concerns
- phone HM Revenue and Customs Large Business DT Treaty Team
+ 44 3000 547584 if calling from outside the UK, or 03000 547584 if calling from the UK
- write to Large Business – DTT Team, HM Revenue and Customs, England BX9 1QR

Please quote the company’s or concern’s reference number with us (for example ‘7/A/123456’) whenever you contact us.

7. Completing the form DT-Company

When filling in the form, please:

- include in the form only the income on which the company claims relief from UK tax under the provisions of the Double Taxation Convention between the UK and its country of residence
- give all the information requested and attach any supporting documents that are asked for
- attach a separate sheet if you need more room

Part A: Details of the company/concern and tax adviser

Please give all the details asked for. If the company or concern has a tax adviser, include the tax adviser's details.

All the information that you provide to HM Revenue and Customs is confidential. We can therefore only discuss the tax affairs of the company or concern with:

- an officer of the company
- any tax adviser or agent who is nominated by the company or concern

We cannot disclose to the UK payer of the income or their tax adviser any information relating to the claimant company or concern.

Part B: Questions about the company or concern

Tick the boxes that apply and give any additional information asked for.

Question 4 – permanent establishment situated in the United Kingdom

If you answer 'Yes' to question 4(a), please refer to the Double Taxation Convention between the UK and the company's country of residence. The provisions relating to a permanent establishment differ from one Double Taxation Convention to another. But most will deny relief under the specific Articles for each income source where:

- the debt-claim, or right or property, in respect of which the income is paid is effectively connected with the permanent establishment
- the income is attributable to the permanent establishment

Having considered the terms of the Double Taxation Convention please answer question 4(b). If you answer 'Yes', attach a separate sheet explaining why the company believes it is entitled under the Double Taxation Convention to relief from UK tax on the income included in the form DT-Company.

Part C: Application for relief at source from UK income tax

Relief at source from UK income tax on future payments of income may be available in cases where

HM Revenue and Customs can exercise its discretion to issue a notice (under Statutory Instrument 1970 Number 488, as amended). We deal with each application on its merits. Where we cannot agree to allow relief at source or cannot arrange it, you can claim repayment of part or all of the UK tax taken off, as appropriate.

Parts C1 and C2: UK Interest

Interest from loans

Where the interest is payable on a loan to a UK resident company or individual, please attach a copy of the loan agreement to the form DT-Company.

If the debt right is part of a syndicated loan, please:

- give the additional information asked for in Part C1 of the form
- attach a copy of the loan agreement, unless you are aware that a copy has already been sent to HM Revenue and Customs. If so, there is no need to attach another copy

Interest from UK securities

If relief is available under the Double Taxation Convention, enter in Part C2 of the form UK interest with UK tax taken off. This may include interest from:

- loan stocks that are not quoted on the Stock Exchange
- loan stocks issued by UK local authorities

We may be able to arrange for relief from UK tax at source interest on these stocks.

There is no need to show in Part C2 of the form any interest from:

- loan stocks that are quoted on the Stock Exchange (a quoted Eurobond)
- UK government securities ('gilts')

as the income is paid without UK tax taken off.

If the company has already received interest with UK tax taken off, enter the details in Part D of the form to claim a repayment of some or all the tax taken off.

Part C3: UK Royalties

Many DT treaties allow relief only to the beneficial owner of the royalties. The beneficial owner is normally the originator of the work or product. But there are some treaties where subsection to tax on the income in the country of residence is the condition for relief from UK tax.

If your company or concern is not the originator but has acquired the rights, please attach to the form DT-Company a copy of the licence, contract or assignment under which the UK rights have been acquired. If your company or concern is in the publishing or music business and uses a standard form of contract with all its authors or composers, please attach a copy of the standard contract. You need do this only the first time a form DT-Company is completed.

Other royalties

Please attach to the form DT-Company a copy of the licence agreement between the company and the UK payer of the royalties. If the company is not the originator of the product giving rise to the royalties but have acquired the rights, please also attach a copy of the licence, contract or assignment under which it has acquired the UK rights.

Part D: Claim for repayment of UK income tax

As explained in these notes, the UK's DT treaties with other countries provide for either:

- no UK tax to be withheld
- a reduced rate of UK tax to be withheld

from payments of interest or royalties. So, if the company or concern has received interest or royalty payments from which UK income tax has been taken off, a claim on its behalf may be made to repayment of some or all of the UK income tax.

Read the instructions below to work out the amount of tax repayable to the company or concern.

How to work out the amount payable to the company or concern

Follow the appropriate steps below. If you do not wish to work out the repayment and do not enter an amount in Part F 4(a) of the form DT-Company, HM Revenue and Customs will work out any repayment that is due.

	Income before tax	UK income tax
Step 1: Enter in box 1 the amount of income before UK tax and in box 2 the amount of UK tax taken off. Take these figures from the total boxes in Part D of the form DT-Company.	1 £ <input type="text"/>	2 £ <input type="text"/>

Step 2: Using the DT Digest, find the company's country of residence and the column for the source of income, interest or royalties.

If the entry shows 'Full relief', the full amount of UK tax taken off from the income is repayable

If the entry shows a percentage rate (for example, 10%) then follow Steps 3 and 4 to work out the amount repayable

Step 3: Calculate the appropriate percentage rate of the total amount of income (in box 1) and enter the result in box 3.	3 £ <input type="text"/>
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For example, the box 1 figure is £100.00 and the rate shown in the Digest of Double Taxation Treaties is 10%. So, 10% of £100.00 = £10.00 in box 3.

Step 4: Deduct the amount in box 3 from the amount in box 2 and enter the result in box 4.	4 £ <input type="text"/>
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Step 5: Take the amount you have shown in box 4 and enter it on the form DT-Company at Part F 4(a). This is the amount of UK income tax repayable to the company.

Note: If on behalf of the company or concern you claim repayment of UK income tax taken off from both interest and royalties, you will need to work out the amounts separately. Use the boxes above as a guide. Add together the tax repayable for the interest and for the royalties then enter the grand total in Part F 4(a) of form DT-Company.

About the company's accounting period

The answer to this question will help us decide if there is any entitlement to interest on UK income tax overpaid, sometimes called 'repayment interest'. We will add interest to a repayment of UK income tax if:

- claimant is resident in a member state of the European Economic Area (EEA)
- we make the repayment after the end of the accounting period in which the income was received

Part E: Repayment instructions

You should only complete Part E if you want HM Revenue and Customs to make any repayment to a bank, tax adviser or other person on the company's or concern's behalf.

If you want repayment to be made to the company's tax adviser, please give the reference number (if any) that the tax adviser uses.

You must also sign the declaration at Part F if you sign the authorisation in Part E.

Part F: Declaration

Please read Note 4 'Beneficial ownership' before completing and signing the declaration in Part F.

Who may sign?

For a company or fund, a responsible officer of the company or fund may sign. An agent (tax adviser), 'custodian' or other duly authorised person acting with the authority of the company may also sign on the company's behalf.

For a partnership, the senior, general or managing partner (as appropriate) may sign in the name of the partnership. For further information, go to Note 5.

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.

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