
1 Amendment of section 259GB of TIOPA 2010

- (1) In section 259GB of TIOPA 2010 (hybrid payee deduction/non-inclusion mismatches and their extent), after subsection (4B) insert—
- “(4C) A relevant transparent entity is to be treated, for the purposes of subsection (4A), as a partnership, and its members are to be treated for those purposes as its partners.
- (4D) An entity is a “relevant transparent entity” if—
- (a) the entity is legally constituted in a territory outside the United Kingdom,
 - (b) all of the entity’s income or profits are treated (or would be if there were any) for the purposes of a tax charged under the law of that territory, as the income or profits of its members, and
 - (c) any such tax that is, or that would be, charged on such a member that is resident for tax purposes in that territory is not charged at a nil rate.
- (4E) A person is a “member” of a relevant transparent entity if the person is entitled to a proportion of the profits of the entity as a result of—
- (a) where the entity has share capital, holding shares forming part of that capital, or
 - (b) where the entity does not have share capital, an entitlement similar to that which would be enjoyed if the entity had share capital and the person held shares forming part of that capital.”
- (2) That section has effect, and is to be deemed always to have had effect, with the amendment made by subsection (1).