

CHAPTER 2 Corporation tax

The charge to corporation tax and exclusion of income tax and capital gains tax. CTA76 s1(1), (2) and (3); FA97 s59(1) 21.—(1) Corporation tax shall be charged on the profits of companies at the rate of—

(a) 38 per cent for—

(i) the financial year 1996, and

(ii) that part of the financial year 1997 beginning on the 1st day of January, 1997, and ending on the 31st day of March, 1997,

and

(b) 36 per cent for—

(i) that part of the financial year 1997 beginning on the 1st day of April, 1997, and ending on the 31st day of December, 1997, and

(ii) each subsequent financial year.

(2) The provisions of the Income Tax Acts relating to the charge of income tax shall not apply to income of a company (not arising to it in a fiduciary or representative capacity) if—

(a) the company is resident in the State, or

(b) the income is, in the case of a company not so resident, within the chargeable profits of the company as defined for the purposes of corporation tax.

(3) Subject to section 649, a company shall not be chargeable to capital gains tax in respect of gains accruing to it so that it is chargeable in respect of them to corporation tax.