

Distributions out of profits from trading within Shannon Airport. CTA76 s76(1), (2)(a)(ii) and (b) and (3) to (8); FA92 s35(b); FA97 s146(1) and (2), Sch9 Ptl par10(1) and Ptl 144.—(1) In this section—

“exempted trading operations” means trading operations which were exempted trading operations for the purposes for Part V of the Corporation Tax Act, 1976 ;

“other profits” includes a dividend or other distribution of a body corporate resident in the State, but does not include a distribution to which subsection (3)(a) applies.

(2) Where a distribution for an accounting period is made by a body corporate in part out of income from exempted trading operations and in part out of other profits, the distribution shall be treated as if it consists of 2 distributions respectively made out of income from exempted trading operations and out of other profits.

(3) (a) So much of any distribution as has been made out of income from exempted trading operations shall, where the recipient of that distribution is a body corporate, be deemed for the purposes of this section to be income from exempted trading operations.

(b) The recipient of any distribution, including part of a distribution treated under subsection (2) as a distribution, made out of income from exempted trading operations shall not be entitled to a tax credit in respect of that distribution.

(4) (a) Where a body corporate makes a distribution, including part of a distribution treated under subsection (2) as a distribution, in respect of any right or obligation to which section 139 relates and the distribution is made out of income from exempted trading operations, the body corporate shall make a supplementary distribution of an amount equal to the amount of the tax credit which would have applied in respect of the distribution if subsection (3)(b) had not been enacted.

(b) Subsection (3) shall apply to a supplementary distribution under this subsection as if that supplementary distribution were a distribution made wholly out of income from exempted trading operations.

(5) In relation to any distribution (not being a supplementary distribution under this section), including part of a distribution treated under subsection (2) as a distribution, made by a body corporate out of income from exempted trading operations, section 152 shall apply to the body corporate so that the statements provided for by that section shall show, as respects each such distribution, in addition to the particulars required to be given apart from this section, that the distribution is made out of income from exempted trading operations.

(6) In relation to any supplementary distribution under subsection (4), section 152 (1) shall apply to the body corporate so that the statement required by that section shall show, in addition to the particulars required to be given apart from this section, the separate amount of such supplementary distribution.

(7) Where a body corporate makes a distribution for an accounting period, the distribution shall be

regarded for the purposes of this section as having been made out of the distributable income of that period to the extent of that income and in relation to the excess of the distribution over that income out of the most recently accumulated income.

(8) For the purposes of subsection (7), the distributable income of a company for an accounting period shall be an amount determined by the formula—

$$(R - S) + T$$

where R, S and T have the same meanings respectively as in section 147 (1)(a).

(9) Subsections (6) and (7) of section 145 shall apply for the purposes of this section as they apply for purposes of that section.