

Distributions out of profits of certain mines. CTA76 s81 142.—(1) In this section—

“exempted income” means income in respect of which a company has obtained relief under—

(a) the Finance (Profits of Certain Mines) (Temporary Relief from Taxation) Act, 1956 , or

(b) Chapter II (Profits of Certain Mines) of Part XXV of the Income Tax Act, 1967;

“other income” means income of a company which is not exempted income.

(2) Where a distribution for an accounting period is made by a company wholly out of exempted income, the distribution shall not be regarded as income for any purpose of the Income Tax Acts and, notwithstanding section 136, the recipient of the distribution shall not be entitled to a tax credit in respect of it.

(3) Where a distribution for an accounting period is made by a company in part out of exempted income and in part out of other income, the distribution shall be treated as if it consisted of 2 distributions respectively made out of exempted income and other income, and subsection (2) shall apply to such part of the distribution as is made out of exempted income as it applies to a distribution made wholly out of exempted income.

(4) Any distribution, including part of a distribution treated under subsection (3) as a distribution, made out of exempted income shall, where the recipient is a company resident in the State, be deemed for the purposes of this section to be exempted income of the company.

(5) (a) Where a company makes a distribution, including part of a distribution treated under subsection (3) as a distribution, in respect of any right or obligation to which section 139 relates and the distribution is made out of exempted income, the company 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 (2) had not been enacted.

(b) Subsection (2) shall apply to a supplementary distribution under this subsection as if the supplementary distribution were a distribution made out of exempted income, and section 152 (1) shall apply 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.

(6) Subsections (7) and (8) of section 144 and subsections (6) and (7) of section 145 shall apply for the purposes of this section as they apply for the purposes of those sections.

(7) In relation to any distribution (not being a supplementary distribution under this section), including part of a distribution treated under subsection (3) as a distribution, made out of exempted income, section 152 shall apply so that the statements provided for by that section shall show, in addition to the particulars required to be given apart from this section, that the distribution is made out of exempted income.