

Provisions in relation to Convention for reciprocal avoidance of double taxation in the State and the United Kingdom of income and capital gains. FA77 s39(1) and (3) to (5); FA96 s132(2) and Sch5 PtII 832.—(1) In this section—

“the Convention” means the Convention between the Government of Ireland and the Government of the United Kingdom for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital gains, and the Protocol amending the Convention, both of which are set out in the Schedule to the Double Taxation Relief (Taxes on Income and Capital Gains) (United Kingdom) Order, 1976 );

“dividend” means a dividend within the meaning of Article 11(4) of the Convention.

(2) Subject to sections 70 and 71 as modified by section 73, where a person is chargeable to income tax or corporation tax under Case III of Schedule D on income which is a dividend in respect of which the person is entitled to a tax credit under Article 11 (2)(b) of the Convention, the income so chargeable shall include the amount of the tax credit.

(3) For the purpose of giving effect to the Convention, the Tax Acts shall, for any year for which the Convention is in force, apply subject to the modifications in section 73.

(4) (a) In applying section 707 in the case of a society registered under the enactments for the time being in force in the United Kingdom corresponding to the Friendly Societies Acts, 1896 to 1977, only expenses of management attributable to the life business referable to contracts of assurance made on or after the 6th day of April, 1976, shall be taken into account.

(b) In applying subsection (4) of section 726 in the case of a society referred to in paragraph (a), there shall be excluded from the liabilities of which B in that subsection is the average any liabilities to policy holders arising from contracts made before the 6th day of April, 1976.

(c) This subsection shall be construed as one with Part 26.