HMRC - OT21120 - Transactions Between Companies

For accounting periods beginning on or after 1 April 2004, ICTA88 Schedule 28AA (now TIOPA10 Part 4 - transfer pricing) transfer pricing rules apply to all transactions between oil companies, regardless of whether they are UK-UK, cross-border or cross-ring fence other than those to which the ICTA88\S493 (now CTA10\S280 and sequence) override applies (see OT21115).

For accounting periods ending before 1 April 2004, ICTA88\Sch28AA\para5(2) to (6) set aside the transfer pricing rules for UK:UK transactions. This UK:UK exception applied to transactions between a company carrying on ring fence activities and another company carrying on ring fence activities, except where the transaction was across the ring fence. Where the transaction was between companies but across the ring fence, the transfer pricing rules were applied by ICTA88\Sch28AA\para11(2), even if they were both UK companies.

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