Answer-to-Question-_1_

Part 1

A UK resident company is liable to UK corporation tax on its worldwide profits and chargeable gains.

Garden Ltd, as a United Kingdom incorporated company, will be treated as UK tax resdient at all times by virtue of its incorporation (section 14 CTA 09).

The only circumstances where this will not be the case, is where Garden Ltd is is held to be treaty resident in a jurisdiction other than the United Kingdom under the residence tie-breaker article of a resident UK tax treaty. In this case, as a matter of UK law, Garden Ltd is held to be non-UK tax resident for the purposes of UK corporation tax.

Will Garden Limited be treated as tax resident in Jardinia?

Whether Garden Limited is treated as tax resident in Jardinia, will be a question of Jardinia domestic law. Sevral jurisdictions have a domestic law provision which will treat a company (wherever incorporated) which is managed from that jurisdiction as tax resident in that jurisdiction. Article 4(1) of the OECD Model Tax Convention, expressly recognises "place of management" as a relevant domestic law criteria for establishing residence for the purposes of the DTA.

As a matter of UK law, HMRC will seek to assert that a non-UK resident company is resident in the UK to the extent that its central management and control is located in the UK. This is not the location of the operating activites of the company, but where decisions related to the strategic direction of the company are taken (De Beers Consolidated Mines). As a matter of UK law, central management and control is typically held to reside with the directors of the company, unless if has been usurped (Wood v Holden). Therefore the place of central management and control of a company is taken to be where the board meetings of the directors physically take place.

Other jurisdictions also apply a test of "place of effective management" which puts more emphasis on where day to day operating activities of the company are carried on, in addition to the activities of the board of directors.

It will necessary to confirm as a matter of Jardinian domestic law, what, if any, management activity in Jardinina will lead to Garden Ltd being treated as UK tax resident.

To the extent that Garden Ltd is treated as both UK tax resident (by virtue of incorporation) and Jardinian tax resident (by virtue of place of management), it may be liable to tax on worldwide profits and gains in both jurisdictions simultaneously. This can give rise to unrelieved double taxation.

Article 4(3) of the UK-Jardinia double tax treatment, should apply to allocated residence to either UK or Jardinian. Article 4(3) requires that the competent authorities of UK and Jardinia endeavour to determine via mutual agreement in which jurisdictoin Garden Limited should be treated as resident for the purposes of the convention.

In reaching mutual agreement, the tax authorities should take a case by case approach, having regard to a number of factors including where the board meetings of the board of directors are usually held, where senior executives usually carry on their activities, where the companies head quarters are located and which countries laws govern the legal status of the company.

There is not obligation on the competent authorities to reach agreement on the treaty residence of a dual resident company. As a result, there is a risk that the competent authorities do not reach agreement. In these circumstances, Garden Ltd would remain dual resident with no availability of treaty relief.

Subject to the domestic law of Jardinia, holding some board meetings in Jardinia, and the CFO relocating to Jardinia, may increase the risk that Jardinia is treated as dual Jardinia an UK tax resident. To the extent that the board meeting held in Jardinia are limited, and do not relate to strategically significany activities of Garden Limited, the risk of Jardinia seeking to asset tax resident is low. Care should be taken also to consider whether activities of the CFO in Jardinia create a permanent establishment of Garden Limited in Jardinia (even at a time when it is

UK resident), as this will trigger tax filing obligations in Jardinia and possible Jardinian tax liability (to extent any profits are attributable to the PE).

To the extent that Garden Limited wants to tax residence to Jardinia it should do so in a considered/clear way so as to establish residence under: (i) Jardinian law; and (ii) under article 4(3) of the DTA. Consideration should be given to the factors which might be taken into account by the CA when determining the tax residence in MAP. Whilst the law of incorporation cannot be changed from UK law, other factors are within Garden Limited's control. As a minimum, we would recommend clearly moving all board meetings of Garden Limited to Jardinia from a clear date (including strategic decisions), and relacating all senior management staff and the rest of the head quarters operations at the same date. This would support MAP allocation of tax residence to Jardinia, and reduce the risk of CAs not being able to reach agreement such that Garden Limited is dual resident with no tax relief.

PART 2

If Garden Limited ceases to be UK tax resident, it will be treated as having "migtated" from the UK.

There are a number of consequences for a UK company of migrating from the UK.

On the date on which Garden Ltd ceases to be non-UK tax resident (allocated by virtue of the MAP, see above), Garden Ltd will be held to cease to trade in the United Kingdom, and its accounting period for corporatoin tax purposes will end.

Exit taxes will be triggered, to the extent that various tax assets of Garden limited are deemed to be disposed of and reacquired at fair/market value immediately before it ceases to be non resident. Such disposal and reacquisition will not be treated to occur to the extent that any assets continue to be held for the purposes of a trade carried on by Garden Limited through a permanent establishment in the UK.

Taking each of the identified assets in turn:

UK warehouse

It is unclear how the UK warehouse will be used following any migration of Garden Limited to Jardinia. To the extent that the UK warehouse continues to be held for the purposes of trade carried on in the United Kingdom through a permanent establishment (likely to be the case if other activities are carried on in the warehouse beyond simply storage), there will be no deemed disposal and reacquisition at marekt value, and no exit charge will apply.

To the extent that the UK warehous is not held for the purposes of a trade carried on in the UK through a permanent establishment (which may be the case, as warehousing/storage of garden furniture is likely to be considered as preparatory and auxiliary to any trade carried on by Garden Ltd in the UK), Garden Limited will still be within the charge to UK tax in respect of the warehouse (even as a non-resident company), as the warehouse will be an interest in UK land. Assuming that the warehous was acquired before 5 April 2019, it will be exemption from the deemed disposal of assets on ceasing to be UK resident). IF and when Garden Ltd later disposes of the warehouse, it will be liable to UK corporation tax on any chargeable gain, calculated by reference to the actual base cost (plus historic costs) (applying any indexation allowance), rather than the asset being rebased to 5 April 2019 (see para 18 sche 4AA TCGA 1992). If warehouse was acquired after 5 April 2019, can apply to postpone gain (calculated at date cease to be UK tax resident), until a later date.

IP rights

UK tax will arise on any gain on IP rights, being market value on date ceasing to be non resident less acquisition price (as reduced by amortisation).

EU distribution center

UK capital gains tax will arise on any gain on disposal of assets, less base costs (likley gain of £500K). Exemptions for transfer of a PE (i.e., article 140C) unlilkely to apply as no transfer.

As Jardinia is an EU country, Garden Limited can apply for an exit charge payment plan, pursuant to which the aggregate exit charges will

be payable in six installements, rather than all together at the date of Garden Limited ceasing to become non resident. Certain trigger events will trigger the exist charge being dully due an payable immediately
(such as disposl of the relevant asset by Garden Ltd post merger).

There are other procedural requirements that Garden Limited will need to comply with on ceaseing to be UK tax resident. There are set out in Statement of PRactice 2/90.

In particular, Garden Limited will need to notify HMRC of its intention to cease to be UK tax resident, and agree with HMRC arrangements for securing that all UK tax liabilities of Garden Limited at the date of migration are paid.

Question 2

MEMORANDUM

To: TAX PARTNER

From: TAX ASSOCIATE

DATE: 10 December 2025

Re: UK tax residence position of Jake for 2024/2025 tax year, and any UK tax consequences

Is Jake UK tax resident for the 2024/2025 tax year?

Whether Jake is UK tax resident for the 2024/2025 tax year, will be determined by the UK statutory residence test (SRT).

The UK SRT applied by reference to three sets of test which must be applied in order:

1. the automatic overseas test - if Jake meets any of these test, Jake

will be automatically non-UK resident for the relevant tax year;
2. the automatic UK tests - if Jake satisfied any of these test, Jake will be automatically treated a UK resident for the relevant tax year;
3. the sufficient ties test - this is only relevant to the extent that Jake meets neither of the first two categories of test. It will determine Jakes residence status by reference to the number of days he spend in the UK in the 2024/2025 tax year, and the number of precribed "ties" has has to the UK in that tax year.

The UK SRT operates slightly differently by reference to arrivers (i.e., individuals how have not been UK tax resident in any of the three tax years immediately proceeding the tax year in question); and leavers (i.e., individuals who have been UK tax resident in at least one of the three tax years immediately proceeding the tax year in question). As Jake was UK tax resident for the 2022/2023 tax year (notwithstanding that he was non resident in the 2023/2024 tax year), he will be treated as a "leaver" for these purposes.

Day count

Statutory residence test operates by reference to a number of day counts.

Typically, any day where the individual is in the UK at the end of the day (i.e., at midnight) will be treated as day spent in the UK for the purposes of the day count test.

This is subject to an exception for "exceptional circumstances" (beyond the individual's control) which prevent the individual leaving the UK and where the individual intends to leave the UK as soon as circumstances permit. The train cancellation (provided there was no other mechanism for Jake to leave UK for Paris on that night), may be treated as "exceptional circumstances" for these purposes so that one night can be removed form the day count. Exceptional circumstances exemption only applies for certain parts of the SRT test (considered where relevant below).

There is also a deeming rule that will apply where: (i) an individual has at least three ties to the UK for the tax year; and (ii) the number of days that the individual is present in the UK at some point in the day (but not at midnight), is more than 30; and (iii) the individual is a "leaver". Where the rule applies, any day where individual spends time in the UK (even if not present inthe UK at midnight) after the first 30 of those such days, is treated as a day spent in the UK.

Jakes ties to the UK in the 2024/2025 tax year

For considering whether the deeming rule applies, is is necessary to establish whether Jake has three ties to the UK for the relevant tax year:

- a family tie will exist by virtue of Rose (Jake's dependent child) likely being UK tax resident for the 2024/2025 tax year (given she spends school time and school holidays in the UK). The exemption for full-time education from creating a family tie will not apply as Rose spent holidays in the UK (i.e., >21 days outside of term time). It may also be that Ella also creates a family tie but this is not considred

- an accomodation tie will exist where an individual hasa place ot live in the UK it is available to them for a continuous period of 91 days and they spend at least 1 night here in the tax year. Jake will satisfy this condition (given the family home in the UK is available to him permanently as not rented out/occupied inorder to supprt Rose).

work tie (did not work anywhere) and country tie (did not spend more nights in UK than any other country during the tax year)will not be met. The only tie which could also possible met is the 90 day tie (if Jake spent more than 90 days in the UK in the 2023/2024 tax year). However, this seems unlikley on the facts (given lenght of time spent in other jurisdictions, that he was not UK tax resident for the 2023/2024 tax year.

As a result, the deeming rule is unlikely to apply for the purposes of determing the time spent by Jake in the UK

As a result, days spent in the UK are likely to be 26 (i.e., night spent in the house).

Automatic overseas test

Second automatic overseas test is not relevant to Jake as a "leaver"

The first automatic overseas teset will apply to Jake if he spends fewer than 16 days in the UK in the tax year. This condition is not met

The third automatic overseas test will be met if Jake works full time overseas during the tax year, without a significant break, and subject to not working too much in the UK/spending too much time in the UK. We are told that Jake did not work in any jurisdiction during 2024/2025 so this is unlikely to apply.

Automatic UK tests

The first automatic UK test will not be met as Jake spent less than 183 days in the UK.

The second automatic UK test will apply where an individual has a UK home available to him for 91 consecutive days (30 of which are in the tax year), spend sufficient time in that UK home, and either does not have an overseas home, or does not spend sufficient time in the overseas home. Whils Jake has a UK home available to him for sufficient time in the tax year, he fails this test as he does not spend sufficient time in that home during the 2024/2025 tax year.

The third automatic UK test applies were individual works full time in the UK, provided certain other conditions are met. Again, this will not be relevant to Jake as he is not engaged in full time work anywhere during the tax year.

Sufficient ties test

To determin if Jake is UK tax resident in 2024/2025, it is therefore necessary to consider the "sufficient ties test"

Based on the analysis above, we establish that Jake has two UK ties for the UK for the tax year. Given that he only spends 26 days in the UK for the tax year, he would need at least 4 ties to be UK resident for the tax year. This condition is not met, so Jake will not be UK resident for the tax year.

UK tax implications for Jake and ella's income and remittances if they are considered UK tax resident in 2024/2025

If Jake and Ella where considered UK tax resident in 2024/2025:

- As they would have only been UK non resident for four years (2004/2005; 2011/12; 2013/14; 2023/2024), they would be deemed UK domicile.

As a result, they would no be able to claim the remittance basis of charge for the 2024/2025 tax year, and their worldwide income and gains would be liable to tax in the UK on the arising basis. This would mean that they could benefit from the UK personal allowance/Annual Exempt Amount; they worldwide savings income would be taxable at appropriate savings rates, and they would not be required to pay the residence basis charge. They would also not have to be concerned about remitting any newly generate foreign income and gains, generated during the period where they are UK tax resident.

They should still be careful not to remit foreign income and gains which arose during periods where they were claiming the remittance basis of charge. To the extent that they intend to be UK resident for prolonged period of time, it may therefore be advisable to setup new bank accounts for any foreign income and gains arising in 2024/2025 tax year - which could then be cleanly remitted to the UK. However, this might not be appropriate if they are only UK tax resident in that one year.

Jake and Ella will also be deemed domicile for these rules for the purposes of UK IHT, of they were to die in the tax year, their worldwide assets would be liablt to UK inheritance tax, wherever located.

As Jake and Ella were UK resident for four of the seven years prior to departure (in 2023/2024 tax year), and they have no been non-UK resident for more than 5 years (they have only been non UK resident for one year), the temporary non-residence rules will apply to them.

The temporary non-residents rules would apply to treat amounts which

Jake remitted in 2023/2024 as remitted by Jake in 2024/2025 tax year. They will therefore increase his UK taxable income for that period. This remitted income will be chargeable to UK tax as remitted income and charged at non-savings rates.

Temporary non-residence rules will also apply to Ella's receipt of the dividend form the close company during a period when she was non -UK resident. The Dividend income will be treated as received by her in the 2024/2025 tax year. It will be taxed at appropriate dividend rate, alongside all of her other relevant dividend income.

Part 3

From 5 April 2025, the concept of domicile was abolished for the purposes of UK tax law.

All UK resident individuals will be liable to UK tax on the arising basis. There will be an exemption for foreign income and gains arising to newly resident individuals (first four years), where they have not been UK tax resident for 4 of the 7 years prior to the first tax year when seeking to claim FIG treatment.

Domicile as also been replaced for the purposes of inheritance tax, and replaced with a notion of "long-term residents". There is a long tale on invidiuals who are classed as "long-term residents" who have left the UK but still remain liable to UK inheritance tax. The tale tapers depenidng on the number of years of UK residence prior to departure.

Jake and Ella are unlikley to benefit from the new FIG regime, unless they spend considerable unbroken time as non-UK residents before returning to the UK. As however, they were likely to be deemed UK domicile in any year they spent as UK tax resident in the near to short term, this is perhaps not significant difference for them.

They should take advice on the likely application of the IHT tail to their circumstances.

Question 3

MEMORANDUM

TO: Tax Director

From: Tax Adviser

Date: 10 December 2025

Re; UK corporation tax treatment of related party debt held by Alpha Ltd

Part 1

It is assumed for the purposes of this response, that all counterparties to the loan to which Alpha Ltd is party are members of the Corinth Group.

Alpha Limited will be liable to UK corporation tax under Part 5 of CTA09, the loan relationship rules. Under these rules, broadly, the tax treatment follows the accounting treatment, and Alpha Ltd will be liable to UK corporation tax in respect of any profits arising from loan relationships (with profits calculated by reference to loan relationship credits and loan relationship debits).

The Loan relationships rules apply where:
(i) UK company stands as creditor or debtor in relation to a money debt; and (ii) the money debt arises from a transaction for the lending of money.

The three debts to which Alpha Ltd is a party which are mentioned in the question, are likely to meet this definitino of loan relationship. They are assumed to meet this definition of loan relationship for the rest of the discussion in this note.

Tax treatment of write of off debts owed by Delta Ltd and Gamma Ltd

Typically, a write off of a loan receivable, would give rise to loan relationship debits in the hands of the lender (in this case Alpha Ltd). These losses could be used to offset taxable trading profits.

However, there is an exemption where loans are written off between connected companies (connected companies relationships). This is designed to prevent connected companies artificially creating loan relationship debits which could be used to offset their corporation tax liability.

The Alpha loan receivables from Delta Ltd and Gamma Ltd will be connected companies relationship, as both debter and creditor are subdiaires in a 100% owned group (i.e., A and B are both controlled by the same person (s 466 CTA 09; 348 CTA 09). Provided that connected companies relationships are accounted for on an amortised costs basis, no release debits will be brough into charge in Alpha Limited on the release of eithe of the loans. In addition, Delta limit will not be required to bring into account any taxable loan relationship credits (as the release it not a deemed release or a release of relevant rights). It is not relevant for these purposes that Gamma Ltd is a non UK entity in terms of the tax treatment for Alpha Ltd.

Whilst the UK loan relationships rules will not apply to the tax treatment of the Gamma Ltd (as a non-UK entity), the fact that the connected company relationship is made with a non-resident entitiy does not impact Alpha limited's tax treatment. Care should be had to understand Gamma Ltds tax position in its jurisdiction of residence, in particular, that the debt release does not give rise to taxable credit.

Transfer of 3 million loan receivable to Zeta Limited

As transfer happens between two connected companies within the charge to UK corporation tax, there is effectively a no gain/no loss transfer (i.e., not taxable event will arise) and Zeta Ltd is effectively treated as replacing Alpha Ltd in respect of the loan relationship.

Alpha Ltd is treated of disposing of the relationship at carrying value, therefore no loan relationship credit/debit arise to Alpha limited on the transfer.

Tax treament of a foreign exchange hedge

FX gains/losses in respect of matched asset would only be brough into account for UK tax purposes when the asset is sold.

Question 5

Initial transfer from Apex Ltd to Ram Ltd

UK corporation tax on chargeable gains

Apex Ltd will incorporate RAM LTd as 100% subsidiary.

Transfer of business into RAM Ltd will be no gain/no loss transfer under section 171 TCGA.

VAT

Transfer of the trading restaurant business should be transfer of a going concern for VAT purposes and therefore outside the scope for UK VAT. No need to consider additional TOGC formality requirements for land as no land assets being transferred.

Apex Ltd will be able to recoved input VAT in respect of transfer which is outside the scope. There will be no capital goods scheme consequences of the transfer.

Stamp duty

There will be no UK stamp duty consequences of:
1. transfer of trade into the newly incorporated compny; or
2. issue of new shares in RAM Ltd to Bravo Ltd and Corner Ltd

Sale of share in Ram Ltd to Apex Limited

Corporation tax

Sale of shares in RAM Ltd would give rise to chargeable gain in APEX Limited (SSE would not apply, as Apex Limited would not have owner shares in Apex Limited for long enough).

Degrouping charge under 179 would also likely be triggered on the disposal of RAM Ltd.

This is not very efficient structuring, rather transaction would be better constructed as a scheme of reorganisation as follows:

For Apex Ltd

Transfer of the restaurant business from Apex Ltd to RAM Ltd would typically trigger liability to corporation tax on chargeable gains on any gains arising to Apex Ltd on disposal of the restaurant business.

However, to the extent that the reorganisation is a scheme of reconstruction (falling within section 136 TCGA 1992) section 139 will apply to the transfer of the business to RAM Ltd. See analysis below. The transfer will be be held to take place as a no gain/no loss transfer. No chargeable gain will arise to Apex at the date of the transfer and RAM LTd will effectively acquire Apex's base costs in the assets

For Bravo Ltd

Apex ltd will transfer restaurant business to RAM Ltd, in exchange for RAM Ltd issuing shares to Bravo Ltd and Corner Ltd.

The reorganisation is likely to be a scheme of reconstruction within article 136 TCGA 1992 as:

(i) the transaction will meet the conditions for scheme of reconstruction in schedule 5AA (issue of ordinary shares, equal entitlement to new shares, continuity of business)

(ii) and under the arrangement, RAM Ltd will issue shares to Bravo and Corner Ltd in proportion to thier holdings in Apex Ltd.

The transaction must be entered into for bona fide commercial purposes.

Statutory clearance should be obtained from HMRC prior to the transaction being undertaken, that HMRC are satisfied that the transaction is being effect for commercial purposes.

As a result, for UK corporation tax purposes, Bravo Ltd's new shares will be treated as "standing in place" of its existing shares in Apex Ltd (section 127), the new shares will have the old base cost in the original shares in Apex LTc. When it sells new shares in RAM LTd it will benefit from SSE in respect of the disposal

VAT

NO VAT on sale of shares

Stamp duty

Purchaser would be liable to UK stamp duty at 0.5 % on acquisition of shares in UK company. Would need to submit stock transfer forms to HMRC together with relevant stamp duty for stamping to prevent penalties arising if ever seek to use stock transfer forms in UK court

Sales of shares in Apex Ltd by Corner Inc.

As a non-resident company, no charge to UK corporation tax would apply on disposal of shares. No vat would apply on disposal of shares. Apex Ltd would be required to pay UK stamp duty on acquisition of shares in a UK company (as above).

Question 6

Part 1

REPORT

Whether a permanent estalishment exists in Hessovia will be a matter of

Hessovia domestic law. However, as Harper is UK tax resident, and there is a DTA between UK and Hessovia, Hessovia will only be able to tax business profits of Harper arising in Hessovia to the extent that they are attribuatble under Article 7 of the DTA to a permanent establishment within the scope of Article 5 of the DTa (i..e, it is the treaty defitition of PE which is relevant in limiting Hessovia's taxing rights). As domestic law and treaty definitino are aligned, this does not require further consideration.

A permanent establishment of Harper will arise in Hessovia to the extent that:

1. Haper is operating a business in Hessovia through a fixed place. In order to create a PE the fixed place has to be at the disposal of Harper nad have a sufficient degree of permanence (i.e., likely to be met if in place for period of 6 months or more); or

2. agents of Harper are operating in Hessovia on Harpers behalf and they either habitually conclude contracts on behalf of Harper, or habitually play the leading role leading to the conclusion of contracts by Harper without material modification.

There are exemptions to the above where:

- the activities undertaken in Hessovia are preparatory and auxiliary in nature, by reference to the business activities of Harper considered as a whole (subject to limited anti fragmentation rule)

- in relation to 2., the agents are agents of independent status acting in the ordinary course of their business.

Lease of warehouse is prima facie, likely to create a fixed place os business PE as it will be a fixed place at the disposal of the enterprise, and it will have requisite degree of permanence (asusming it is in place for a period of > 6 months).

However, lease of warehouse purely for storage purposes is likely to be considered preparatory and auxiliary to Harper's trade.

There is a risk that sales staff travelling to Hessovia will create a dependent agent PE, even if they do not conclude contracts on behalf of Harper due to the wider definition of dependent agent PE in Hessovia under the treaty (compared with the UK definition which requires agents to have authority to act on behalf of the the enterprise and actually exercise that authority in order to create a PE). To the extent that DAPE is created, warehouse is likely to be attributed to that DAPE, under the antifragmentation rule.

Manufacturing activities and machinery showroom very likely to create a fixed place of business PE.

UK tax consequences of operating through a permanent establishment

As a UK resident company, Harper is liable to UK corporation tax on is worldwide income and gains, including income and gains derived from a foreign permanent establishment.

Hessevia would be entitled to impose Hessevia tax on the profits attributable to the permanent establishment (calculated under article 7 on the basis that the PE is a separate enterprise form the QH company, and carrying out transactions with the HQ company on an arms' lenght basis). UK would give relief against UK corporation tas for the amount of the Hessevia tax paid, subject to a cap at the equivalent UK corporation tax which would have been payable on the PE profits.

Harper could elect to exempt profits of all its foreign PEs from UK corporation tax. If this happenes, losses of the PE would not be available to reduce UK profits of the HQ company. PE exemption election is irrevocable and would apply to all permanent establishments of Harper. Careful modelling should be undertaken to determine if it would be advantageous for Harper to make a PE exemption election, this would typically be the case where the PE is exempted to make taxable profits (not losses), and the tax rate in Hessovia is lower than the UK corporate tax rate. An exemption election can always be made at a later time.

UK tax consequences of operating through a subsidiary

UK corporation tax on chargeable gains arising on the transfer of the assets form Harper Ltd to the Hessovia subsidary could be deferred (section 140 TCGA), provided relevant conditions are met (i.e., transfer of assets in exchange only for shares in new subsidiary). Liability will be triggered if certain disposal events happen in the future (i.e., disposal of the shares in the overseas sbsidiary, disposal of the relevant assets transferred by the overseas subsidiary).

No UK corporation tax would arise in respect of taxable profits made by the subsidiary in H. Equaly however, any losses made by the subsidiary in H would not be available to set against UK corporation tax profits of Harper in the UK.

Any dividends paid by the foreign subsidiary to Harper may be subject to withhliding tax in H, however the amount of the withholding tax will be limited under the DTA (i.e., 5%) (assuming beneficial ownership requirment met, and 100% subsidiary). dividends received in the UK would be exempt from UK coproration tax under part 9A as distributino from a controlled company.

It is assumed that Hessovia is not an EU company.