**INTM489825 - Chart 1: Section 80: Lack of Economic Substance – UK Company**

Is company UK resident?

Has provision been made by means of a transaction or series of transactions between company (‘C’) & another person (‘P’) whether or not UK resident?

Section 80 does not apply. (section 81 may apply – see ***Chart 1A***].

Is the **participation condition** of section 106 met in relation to C and P?

 Are both C and P **SMEs** within the meaning of section 172 TIOPA 2010?

Is the effective tax mismatch outcome an **excepted loan relationship outcome** under section 109?

Does the material provision result in an **effective tax mismatch outcome** under sections 107 & 108? ***[see chart 3]***

Is the **insufficient economic substance condition** of section 110 met? ***[see chart 4]***

**Section 80 does NOT apply.**

**Section 80 applies**

NO

YES

NO

YES

YES

NO

YES

NO

YES

NO

NO

YES

NO

YES