Yes

The UPE is required to apply an IIR

Is there an IIR in the UPE?

No

Is there an intermediate parent entity (IPE) in a jurisdiction that applies an IIR?

Does another IPE own a controlling interest in it?

Note: Where there are two or more parent entities in a chain required to apply an IIR, a backstop mechanism applies so that the parent entity higher in the chain can reduce its top-up tax by the amount of its top up tax levied in the intermediate holding company or POPE. This can apply in numerous circumstances such as where a UPE applies an IIR as does an IPE and/or POPE, or even where there are multiple IPE’s or POPEs holding ownership interests in a low taxed entity in a vertical ownership chain.

No

The POPE (and any other POPE’s apply the IIR

Yes

The top-level POPE applies the IIR

Yes

Does another POPE wholly own it?

The IPE (and any other IPE’s) apply the IIR

No

Is there a POPE in a jurisdiction that implements an IIR?

No

Yes

The top-level IPE applies the IIR

Yes