

*These notes refer to the Finance Act 2014 (c.26) which received Royal Assent on 17 July 2014*

# **FINANCE ACT 2014**

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## **EXPLANATORY NOTES**

### **INTRODUCTION**

#### ***Section 6: Corporation Tax: Small Profits Rate and Fractions for Financial Year 2014***

##### **Summary**

1. This section sets the small profits rate of corporation tax (CT) for the financial year beginning 1 April 2014 at 20% for all profits apart from “ring fence profits” of North Sea oil companies, where the rate is set at 19%. Additionally, it sets the fraction used in calculating marginal relief from the main rate at  $1/400$  for all profits apart from “ring fence profits”, where the fraction is set at  $11/400$ .