

*These notes refer to the Finance Act 2015 (c.11)
which received Royal Assent on 26 March 2015*

FINANCE ACT 2015

EXPLANATORY NOTES

INTRODUCTION

Section 115: Application of Other Enactments to Diverted Profits Tax

Summary

1. This section applies certain other enactments to the diverted profits tax.

Details of the Section

2. Subsection (1) amends section 206(3) of the Finance Act 2013, to add the diverted profits tax to the taxes to which the general anti-abuse rule applies.
3. Subsection (2) amends paragraph 7 of Schedule 6 to the Finance Act 2010, to add the diverted profits tax to enactments to which definition of “charity” in Part 1 of that Schedule applies.
4. Subsection (3) amends section 1139 of the Corporation Tax Act 2009 to add to the definition of “tax advantage” the avoidance or reduction of a charge to diverted profits tax.
5. Subsection (4) amends section 178 of the Finance Act 1989, so that it applies for the purposes of section 79.
6. Subsection (5) amends section 1 of the Provisional Collection of Taxes Act 1968, so that it applies for the purposes of diverted profits tax.

Background Note

7. The diverted profits tax is a new charge on diverted profits. The main objective is to counteract contrived arrangements used by large groups (typically multinational enterprises) that result in the erosion of the UK tax base.