



Corporation Tax Act 2010

2010 CHAPTER 4

[^{F1}PART 3A

COMPANIES WITH SMALL PROFITS

[^{F1}The standard small profits rate for non-ring fence profits

Textual Amendments

- F1** Pt. 3A inserted (with effect in accordance with Sch. 1 para. 34 of the amending Act) by [Finance Act 2021 \(c. 26\)](#), [Sch. 1 para. 3](#)

18A Profits charged at the standard small profits rate

- (1) Corporation tax is charged at the standard small profits rate on a company's taxable total profits of an accounting period which are not ring fence profits if—
 - (a) the company is UK resident in the accounting period,
 - (b) it is not a close investment-holding company in the period, and
 - (c) its augmented profits of the accounting period do not exceed the lower limit.
- (2) In this Act “the standard small profits rate” means a rate that—
 - (a) is lower than the main rate, and
 - (b) is set by Parliament for the financial year as the standard small profits rate.
- (3) In this Part “ring fence profits” has the same meaning as in Part 8 (see section 276).
- (4) In the case of a company with ring fence profits, see section 279A(3) (small ring fence profits rate chargeable on ring fence profits).]

Changes to legislation:

There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross
Heading: The standard small profits rate for non-ring fence profits.