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**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2016. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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## SCHEDULES

### SCHEDULE 19

#### LARGE BUSINESSES: TAX STRATEGIES AND SANCTIONS

#### PART 1

#### INTERPRETATION

##### *“Group” and related expressions*

- 6 (1) “Group” means two or more relevant bodies which together constitute—
- (a) an MNE Group (see paragraph 7), or
  - (b) a group other than an MNE group (see paragraph 8).
- (2) “UK group” means a group whose head is a relevant body incorporated in the United Kingdom.
- (3) “Foreign group” means a group whose head is a foreign relevant body.
- (4) For the purposes of sub-paragraphs (2) and (3) it is immaterial where other members of the group are incorporated.
- 7 (1) “MNE Group” has the same meaning (subject to sub-paragraph (2) below) as in the OECD Model Legislation in the OECD Country-by-Country Reporting Implementation Package as contained in the OECD's Guidance on Transfer Pricing Documentation and Country-by-Country Reporting published in 2014.
- (2) Paragraph (ii) (excluded MNE Group) of the Implementation Package is not part of the definition applied by sub-paragraph (1) above for the purposes of this Schedule.
- (3) In sub-paragraph (1) “OECD” means the Organisation for Economic Co-operation and Development.
- 8 (1) A “group other than an MNE group” means a group consisting of two or more relevant bodies—
- (a) each of which is a member of the group by virtue of sub-paragraph (3) or (4),
  - (b) at least two of which are UK companies,
- which is not an MNE Group.
- (2) For the purposes of the condition in sub-paragraph (1)(b) a UK permanent establishment of a foreign member of a group is to be treated as if it were a UK company and a member of the group.
- (3) A relevant body is a member of a group if—
- (a) another relevant body is its 51% subsidiary, or
  - (b) it is a 51% subsidiary of another relevant body.

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- (4) Two relevant bodies are members of the same group if—
    - (a) one is a 51% subsidiary of the other, or
    - (b) both are 51% subsidiaries of another relevant body.
  - (5) Chapter 3 of Part 24 of CTA 2010 (meaning of 51% subsidiary) applies for the purposes of this Schedule as it applies for the purposes of the Corporation Tax Acts (but with the modification in sub-paragraph (6)).
  - (6) It applies as if references to a body corporate were references to a relevant body.
- 9      A group is headed by whichever relevant body within the group is not a 51% subsidiary of another relevant body within the group (and “head”, in relation to the group, means that body).

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 19 para. 12(5)(b) inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(c\)](#)
- Sch. 19 para. 12(5)(a) word inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(b\)](#)
- Sch. 19 para. 51(8)(b) words inserted by [2017 c. 32 Sch. 14 para. 48\(2\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(a\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(b\)](#)
- Sch. 19 para. 12(5)(a) words renumbered as Sch. 19 para. 12(5)(a) by [2017 c. 32 Sch. 14 para. 49\(2\)\(a\)](#)
- Sch. 19 para. 58(1) words substituted by [2017 c. 32 Sch. 14 para. 48\(5\)](#)
- Sch. 20 para. 1(4)(e) inserted by [2021 c. 26 Sch. 27 para. 47\(2\)](#)
- Sch. 20 para. 3(3)(d) and word inserted by [2021 c. 26 Sch. 27 para. 47\(3\)\(b\)](#)
- Sch. 20 para. 5(5) inserted by [2021 c. 26 Sch. 27 para. 47\(5\)](#)
- Sch. 22 para. 2(4B) inserted by [2021 c. 26 Sch. 27 para. 48\(2\)\(c\)](#)
- Sch. 22 para. 3(4A) inserted by [2021 c. 26 Sch. 27 para. 48\(3\)](#)