

SCHEDULES

SCHEDULE 6

DIVERTED PROFITS TAX

Calculation of taxable diverted profits

- 5 (1) Section 85 (section 80 or 81: calculation of profits by reference to the relevant alternative provision) is amended as follows.
- (2) In subsection (4) for paragraph (a) (but not the “and” immediately after it) substitute—
- “(a) so much of the diverted profits (if any) of the company for the accounting period as are not taken into account in an assessment to corporation tax included before the end of the review period in the company’s company tax return for that accounting period.”
- (3) In subsection (6) (meaning of “the notional additional amount”)—
- (a) in the words before paragraph (a) omit “the amount by which”,
- (b) in paragraph (a) before “amount” insert “additional”,
- (c) at the end of paragraph (a) for “exceeds” substitute “less”, and
- (d) in paragraph (b)(i) for the words from “the application” to the end substitute “any adjustment required to be made to the results of the material provision (whether under Part 4 of TIOPA 2010 (transfer pricing) or otherwise)”.
- (4) After subsection (6) insert—
- “(7) In calculating the additional amount mentioned in paragraph (a) of subsection (6) no account is to be taken of any adjustment required to be made to the results of the material provision under Part 4 of TIOPA 2010 or otherwise.”