



# Finance (No. 2) Act 2023

## CHAPTER 30

### FINANCE (NO. 2) ACT 2023

#### PART 1

##### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

###### *Income tax charge, rates etc*

- 1 Income tax charge for tax year 2023-24
- 2 Main rates of income tax for tax year 2023-24
- 3 Default and savings rates of income tax for tax year 2023-24
- 4 Freezing starting rate limit for savings for tax year 2023-24

###### *Corporation tax charge and rates*

- 5 Charge and main rate for financial year 2024
- 6 Standard small profits rate and fraction for financial year 2024

###### *Capital allowances*

- 7 Temporary full expensing etc for expenditure on plant or machinery
- 8 Annual investment allowance to remain at £1M beyond temporary period
- 9 First-year allowance for expenditure on electric vehicle charge points

###### *Other reliefs relating to businesses*

- 10 Relief for research and development
- 11 Treatment of profits from patents etc: small profits rate of corporation tax
- 12 Energy (oil and gas) profits levy: de-carbonisation allowance
- 13 Museums and galleries exhibition tax relief: extension of sunset date

*Status: This is the original version (as it was originally enacted).*

---

- 14 Extension of the temporary increase in theatre tax credit etc
- 15 Seed enterprise investment scheme: increase of limits etc.

*Reliefs for employees*

- 16 CSOP schemes: share value limit and share class
- 17 Enterprise management incentives: restricted shares and declarations

*Pensions*

- 18 Lifetime allowance charge abolished
- 19 Certain lump sums to be taxed at marginal rate
- 20 Annual allowance increased
- 21 Money purchase annual allowance
- 22 Annual allowance: tapering
- 23 Modification of certain existing transitional protections
- 24 Collective money purchase arrangements
- 25 Relief relating to net pay arrangements

*Social security*

- 26 Payments under Jobs Growth Wales Plus
- 27 Power to clarify tax treatment of devolved social security benefits

*Foster carers etc*

- 28 Qualifying care relief: increase in individual's limit

*Estates in administration and trusts*

- 29 Estates in administration and trusts

*Provisions relating to insurance*

- 30 Transfer of basic life assurance and general annuity business
- 31 Certain re-insurance sums not to count as deemed I-E receipts
- 32 Insurers in difficulties: write-down orders for corporation tax purposes
- 33 Insurers in difficulties: write-down orders in case of pension schemes

*Miscellaneous corporation tax matters*

- 34 Corporate interest restriction
- 35 Investment vehicles

*International matters*

- 36 Share exchanges involving non-UK incorporated close companies
- 37 Records relating to transfer pricing
- 38 Double taxation relief: foreign nominal rates

*Chargeable gains*

- 39 Payments to farmers under the lump sum exit scheme etc
- 40 Contracts completed after ordinary notification period
- 41 Separated spouses and civil partners
- 42 Carried interest: election to pay tax as scheme profits arise
- 43 Relief on disposal of joint interests in land

## **PART 2**

### **ALCOHOL DUTY**

#### **CHAPTER 1**

##### **CHARGE TO ALCOHOL DUTY**

###### *Alcoholic products*

- 44 Meaning of “alcoholic product”
- 45 Alcoholic strength
- 46 Categories of alcoholic products: regulations

###### *Charge and rates*

- 47 Alcohol duty: charge
- 48 Rates
- 49 Excise duty point and payment

#### **CHAPTER 2**

##### **DRAUGHT RELIEF**

- 50 Qualifying draught products: reduced rates
- 51 Alcoholic products qualifying for draught relief
- 52 Repackaging qualifying draught products
- 53 Repackaging in contravention of section 52 (2)

#### **CHAPTER 3**

##### **SMALL PRODUCER RELIEF**

###### *Main provisions*

- 54 Small producer relief: discounted rates
- 55 Small producer alcoholic products
- 56 Small production premises
- 57 “Alcohol production amount” etc
- 58 Exclusions
- 59 Duty discount for small producer alcoholic products
- 60 Assessments where incorrectly low rate of alcohol duty applied

###### *Mergers and demergers*

- 61 Mergers: general provisions
- 62 Modified “small production premises” test
- 63 Modified duty discount
- 64 Adjusted post-merger amount
- 65 Early termination of merger transition period
- 66 Subsequent mergers
- 67 Simultaneous mergers
- 68 Demergers

*Interpretation of Chapter 3*

- 69 “Producer”, “production premises”, “group premises” etc
- 70 Connected persons
- 71 Index of defined expressions: Chapter 3

**CHAPTER 4**

## OTHER RELIEFS AND EXEMPTIONS

*General*

- 72 Exemption: production for personal consumption
- 73 Research and experiments
- 74 Spoilt alcoholic products
- 75 Alcoholic ingredients

*Spirits*

- 76 Imported medical articles
- 77 Flavourings
- 78 Authorised use for certain purposes
- 79 Imported goods not for human consumption
- 80 Restrictions on use of certain articles

*Remission and repayment*

- 81 Further provision about remission and repayment

**CHAPTER 5**

## REGULATED ACTIVITIES AND APPROVALS

- 82 Approval requirement: producers
- 83 Supplementary provision about approvals
- 84 Exemption: production for personal consumption
- 85 Exemption: research and experiments
- 86 Mixing alcoholic products
- 87 Post-duty point dilution of alcoholic products
- 88 Alcoholic products regulations
- 89 Penalties and forfeiture

**CHAPTER 6**

## DENATURED ALCOHOL

- 90 Denatured alcohol
- 91 Licence to manufacture and deal wholesale in denatured alcohol
- 92 Regulations relating to denatured alcohol
- 93 Penalties and forfeiture
- 94 Defaults in respect of denatured alcohol: possession of excess alcoholic products
- 95 Defaults in respect of denatured alcohol: supply and use of denatured alcohol
- 96 Inspection of premises etc

- 97 Prohibition of use of denatured alcohol etc as beverage or medicine

## **CHAPTER 7**

### WHOLESALEING OF CONTROLLED ALCOHOLIC PRODUCTS

- 98 Definitions  
99 Further provision relating to definitions  
100 Approval to carry on controlled activity  
101 The register of approved wholesalers  
102 Regulations relating to approval, registration and controlled activities  
103 Restriction on buying controlled alcoholic products wholesale  
104 Offences  
105 Penalties  
106 Groups  
107 Index of defined expressions: Chapter 7

## **CHAPTER 8**

### SUPPLEMENTARY

- 108 Reviews and appeals  
109 Forfeiture: supplementary provision  
110 Removal of goods: application of section 95 of CEMA 1979  
111 Drawback  
112 Duty stamps

## **CHAPTER 9**

### REPEALS, FURTHER AMENDMENTS AND TRANSITIONAL PROVISIONS

#### *Repeals and further amendments*

- 113 Repeals  
114 Minor and consequential amendments

#### *Transitional provision*

- 115 Temporary provision: wine  
116 Temporary provision: cider

## **CHAPTER 10**

### FINAL PROVISIONS

- 117 Interpretation of this Part  
118 Regulations: supplementary and general  
119 Regulations: procedure  
120 Commencement

**PART 3**

## MULTINATIONAL TOP-UP TAX

**CHAPTER 1**

## INTRODUCTION AND CHARGE

- 121 Introduction to multinational top-up tax
- 122 Chargeable persons
- 123 Amount charged by reference to “top-up amounts”
- 124 How to calculate top-up amounts and attribute them
- 125 Administration of multinational top-up tax

**CHAPTER 2**

## QUALIFYING MULTINATIONAL GROUPS AND THEIR MEMBERS

*Multinational groups*

- 126 Meaning of “multinational group” and “ultimate parent”
- 127 Excluded entities

*Responsible members*

- 128 Responsible members

*Qualifying multinational groups*

- 129 Qualifying multinational groups
- 130 Change in composition of multinational group
- 131 Whether de-merged groups meet the revenue threshold

**CHAPTER 3**

## EFFECTIVE TAX RATE OF MEMBERS OF A MULTINATIONAL GROUP IN A TERRITORY

- 132 Effective tax rate

**CHAPTER 4**

## CALCULATION OF ADJUSTED PROFITS OF MEMBERS OF A MULTINATIONAL GROUP

*Adjusted profits of a member of a multinational group*

- 133 Adjusted profits of a member of a multinational group
- 134 Underlying profits as determined for statements of ultimate parent
- 135 Underlying profits of permanent establishments
- 136 Underlying profits accounts
- 137 No amounts outside of profit and loss account to be included

*Adjustments of underlying profits*

- 138 Profits adjusted to be before tax
- 139 Profits adjusted to be profits before consolidation adjustments to eliminate intragroup transactions

- 140 Profits adjusted to be profits before certain purchase accounting adjustments
- 141 General exclusion of dividends
- 142 Excluded equity gain or loss
- 143 Included revaluation method gain or loss
- 144 Adjustments for asymmetric foreign currency income and losses
- 145 Exclusion of expenses for illegal payments, fines and penalties
- 146 Adjustment for changes in accounting policies and prior period errors
- 147 Accrued pension expense
- 148 Treatment of qualifying refundable tax credits
- 149 Arm's length requirement for certain transactions
- 150 Transactions between members of a multinational group: differences with accounting for tax
- 151 Adjustments for companies in distress
- 152 Adjustments where life assurance business carried on
- 153 Exclusion of certain insurance reserve movement expense
- 154 Exclusion of qualifying intra-group financing arrangement expenses
- 155 Qualifying tier one capital
- 156 Exclusion of international shipping profits
- 157 Core international shipping profits
- 158 Ancillary international shipping profits

*Adjustments only applicable to permanent establishments*

- 159 Permanent establishment income and expense attribution
- 160 Attribution of losses between permanent establishment and main entity

*Elections to treat certain amounts differently*

- 161 Election to use realisation principle
- 162 Election to reflect deductions for stock-based compensation
- 163 Election to spread certain capital gains over five years
- 164 Election to exclude intra-group transactions
- 165 Election to have excluded equity gains and losses included
- 166 Election in relation to hedging currency risk in ownership interests

*Dealing with transparency and entities subject to qualifying dividend regime*

- 167 Underlying profits of hybrids
- 168 Underlying profits of transparent and reverse hybrid entities
- 169 Certain non tax resident entities to be treated as flow-through entities
- 170 Adjustments for ultimate parent that is a flow-through entity
- 171 Ultimate parent subject to qualifying dividend regime
- 172 Application of section 171 to members in the same territory as the ultimate parent

## CHAPTER 5

### COVERED TAX BALANCE

*Amount of covered taxes*

- 173 Covered taxes
- 174 Amount of covered tax balance
- 175 Amounts excluded from covered tax balance

*Status: This is the original version (as it was originally enacted).*

---

176 Amounts to be reflected in covered tax balance

*Allocation of covered taxes*

177 Permanent establishments  
178 Reallocation of tax expense  
179 Controlled foreign company tax regimes  
180 Blended CFC regimes  
181 Distributions from other members of a group

*Dealing with deferred tax assets etc*

182 Total deferred tax adjustment amount  
183 Qualifying foreign tax credits (substitute loss carry forward assets)  
184 Recaptured deferred tax liabilities  
185 Inclusion of existing deferred tax assets and liabilities on entry into regime  
186 Deferred tax assets recorded at less than minimum rate  
187 Election for losses to be treated as special loss deferred tax assets  
188 Further provision about elections under section 187

*Eligible distribution tax systems: deemed taxes*

189 Deemed distribution tax election  
190 Deemed distribution tax amount  
191 Reduction of recapture amount  
192 Recalculation where member leaves the group

## CHAPTER 6

### CALCULATION OF TOP-UP AMOUNTS

193 Calculation of top-up amounts  
194 Total top-up amount for a territory  
195 Substance based income exclusion  
196 Eligible payroll costs  
197 Eligible tangible asset amount  
198 Eligible payroll costs and eligible tangible asset amount: permanent establishments and flow-through entities  
199 Election to treat total top-up amount as nil

## CHAPTER 7

### ALLOCATING TOP-UP AMOUNTS TO RESPONSIBLE MEMBERS

200 Top-up amounts multiplied by inclusion ratio  
201 Inclusion ratio

## CHAPTER 8

### FURTHER ADJUSTMENTS



*Covered taxes less than nil*

- 202 Covered taxes balance less than nil when members in a territory have a profit
- 203 Additional top-up amounts where covered taxes less than expected
- 204 Allocation of collective additional amount under section 203 to members
- 205 Election to carry forward and reduce collective additional amount

*Additional top-up amounts on recalculations*

- 206 Additional top-up amounts where recalculations required
- 207 Allocation of collective additional amounts under section 206 to members

*Restructuring of groups*

- 208 Member joining or leaving multinational group
- 209 When transfer of controlling interest treated as acquisition of assets and liabilities
- 210 Transfer of assets or liabilities from a member of a multinational group
- 211 Transfer of assets or liabilities to a member of a multinational group
- 212 Meaning of “qualifying reorganisation”

*Elections in relation to investment entities*

- 213 Investment entity tax transparency election
- 214 Taxable distribution method election
- 215 Undistributed income amount

*Other adjustments*

- 216 Election where assets and liabilities adjusted to fair value for tax purposes
- 217 Post filing adjustments of covered taxes
- 218 Effect of rate changes to deferred tax expense
- 219 Adjustment where covered taxes not paid

**CHAPTER 9**

SPECIAL PROVISION FOR INVESTMENT ENTITIES, JOINT  
VENTURE GROUPS AND MINORITY-OWNED MEMBERS

*Investment entities*

- 220 Top-up amount of investment entity
- 221 Substance based income exclusion for investment entity
- 222 Investment entity effective tax rate
- 223 Adjustments
- 224 Additional top-up amounts of investment entities
- 225 Attribution of top-up amounts and additional top-up amounts to responsible member

*Joint venture group*

- 226 Joint venture group

*Status: This is the original version (as it was originally enacted).*

---

227 Application of Part to joint venture groups

*Minority owned members*

228 Minority owned members

*Application to multi-parent groups*

229 Multi-parent groups

**CHAPTER 10**

DEFINITIONS ETC

*Introduction*

230 Meaning of terms and concepts used in this Part

*Meaning of “entity” etc*

231 Meaning of entity

232 Permanent establishments treated as entities

233 Treatment of protected cell companies

234 Governmental, international and non-profit entities

235 Pension funds and pension services entities

236 Investment funds and investment entities

237 Intermediate and partially-owned parent members

238 Tax transparency of entities

*Provision relating to location of entities*

239 Location of entities

240 Location of flow-through entities and permanent establishments

241 Pillar Two territories

*Ownership of entities*

242 Ownership interests and controlling interests

243 Calculating percentage ownership interests of a specific entity or individual

244 Calculating percentage ownership interests of a class

245 Calculating percentage ownership interests: excluded entities

246 Calculating percentage direct and indirect ownership interests

247 Timing of transfers of interests

248 Exclusion of indirect interests held through ultimate parent

*Financial statements and accounting period*

249 Consolidated financial statements

250 Acceptable accounting standards

251 Accounting periods

*Miscellaneous*

252 Application to sovereign wealth funds

253 Disqualified and qualified refundable imputation taxes

254 Use of currency

- 255 Pillar Two rules
- 256 Qualifying domestic top-up tax
- 257 Qualifying undertaxed profits tax
- 258 Meaning of “connected”
- 259 Other definitions

## **CHAPTER 11**

### GENERAL AND MISCELLANEOUS PROVISION

- 260 Transitional provision
- 261 Index of defined expressions
- 262 Power to amend to ensure consistency with Pillar Two
- 263 Regulations
- 264 Multinational top-up tax to apply from 31 December 2023

## **PART 4**

### DOMESTIC TOP-UP TAX

## **CHAPTER 1**

### INTRODUCTION

- 265 Introduction to domestic top-up tax
- 266 Qualifying entities
- 267 DTT excluded entities
- 268 Permanent establishments

## **CHAPTER 2**

### CHARGE TO DOMESTIC TOP-UP TAX

- 269 Chargeable persons
- 270 Amount charged
- 271 Election to make one member of a group liable for amounts charged

## **CHAPTER 3**

### APPLICATION OF MULTINATIONAL TOP-UP TAX PROVISIONS

- 272 Determining top-up amounts of entity that is a member of a group
- 273 Determining top-up amounts of entity that is not a member of a group
- 274 Application of section 262
- 275 Application of Schedule 14
- 276 Application of transitional provision
- 277 Index of defined expressions
- 278 Domestic top-up tax to apply from 31 December 2023

## **PART 5**

### ELECTRICITY GENERATOR LEVY

*Status: This is the original version (as it was originally enacted).*

---

### *Introduction and charge*

- 279 Charge on exceptional generation receipts
- 280 Key concepts (generating undertaking etc)
- 281 Benchmark amount

### *Calculation of exceptional generation receipts*

- 282 Attribution of generation
- 283 Generation receipts
- 284 Allowable costs
- 285 Exceptional generation fuel costs
- 286 Exceptional revenue sharing costs

### *Groups, partnerships and joint ventures*

- 287 Groups
- 288 Lead member of a group and its qualifying periods
- 289 Liability of members of groups
- 290 Election for members with significant minority shareholding to pay levy
- 291 Qualifying partnerships
- 292 Qualifying joint ventures

### *Attribution and surrender of amounts: joint ventures and significant minority shareholders*

- 293 Non-chargeable amounts of joint venture to be attributed to participants
- 294 Generation acquired and supplied by JV participants
- 295 Arrangements that reflect receipts (JV participants)
- 296 Generation acquired and supplied by significant minority shareholders
- 297 Arrangements that reflect receipts (significant minority shareholders)
- 298 Surrender of shortfalls
- 299 Amount that may be surrendered and use of that amount

### *Treatment of company as transparent as alternative to attribution and surrender*

- 300 Election to treat certain companies as transparent
- 301 Effect of company being transparent

### *Management and administration*

- 302 General application of corporation tax administration
- 303 Company tax returns
- 304 Requirement to provide information about payments
- 305 Claims to shortfall amounts
- 306 Application of Part 5A of TMA 1970 and Instalment Payments Regulations

### *Supplemental*

- 307 Application of Part 5 of CTA 2010 for the purposes of determining interests
- 308 Anti-avoidance
- 309 Information sharing
- 310 Interaction of electricity generator levy with corporation tax
- 311 Regulations under this Part
- 312 Minor definitions relating to electricity market

313 Definitions in this Part

**PART 6**

OTHER TAXES

*Stamp duty land tax*

314 Transactions funded with the assistance of a public subsidy

*Value added tax*

315 Deposit schemes

*Import duty*

316 Dumping, subsidisation and safeguarding remedies

317 Rulings as to method of valuation of goods

318 Discharging goods from free-circulation procedure subject to guarantee

*Fuel duties*

319 Excepted machines etc

*Tobacco products duty*

320 Rates of tobacco products duty

*Soft drinks industry levy*

321 Flavour concentrates

*Air passenger duty*

322 New bands and rates

323 Northern Ireland rates

*Vehicle taxes*

324 Rates of vehicle excise duty

325 Reform of HGV road user levy

326 End of exempt period for HGV road user levy

*Environmental taxes*

327 Rates of landfill tax

328 Rates of climate change levy

329 Rate of plastic packaging tax

330 Aggregates levy: exemptions and exploitation

**PART 7**

MISCELLANEOUS AND FINAL

*Freeports and investment zones*

331 Designation of sites

332 Sunset date for reliefs

*Status: This is the original version (as it was originally enacted).*

---

### *Administration*

- 333 Right to repayment of income tax to be inalienable
- 334 Late payment interest on value added tax
- 335 Penalties for failure to pay value added tax
- 336 VAT credits: repayment interest due where evidence not provided
- 337 Insurance premium tax: power to make regulations about notifications
- 338 Penalties for failure to make payments of plastic packaging tax on time

### *Management of customs and excise*

- 339 Approval of aerodromes
- 340 Approved aerodromes: minor and consequential amendments
- 341 Temporary approvals etc

### *Conditionality*

- 342 Licensing authorities: requirements to give or obtain tax information
- 343 Section 342: consequential amendments

### *Charities and community amateur sports clubs*

- 344 Definition of “charity” restricted to UK charities
- 345 Definition of “community amateur sports club” restricted to UK clubs

### *Homes for Ukraine Sponsorship Scheme*

- 346 Exemptions from tax

### *Office of Tax Simplification*

- 347 Abolition of the Office of Tax Simplification

### *The dormant assets scheme*

- 348 Pension benefits and inheritance tax

### *Other*

- 349 International arrangements for exchanging information
- 350 Payment of unclaimed money in court into the Consolidated Fund
- 351 Financial sanctions regulations: prohibition on certain payments by HMRC
- 352 Communications data

### *Final*

- 353 Interpretation
- 354 Short title

---

### Schedules

Schedule 1 — Relief for research and development

Part 1 — CLAIM NOTIFICATIONS

- 1 Requirement to make claim notifications in relation to certain R&D claims

- 2 (1) Part 13 of CTA 2009 (additional relief for expenditure...  
Part 2 — R&D EXPENDITURE ON DATA AND CLOUD COMPUTING
  - 3 Relief for R&D expenditure on data and cloud computing
  - 4 Relief for R&D expenditure on data and cloud computing:  
consequential amendments
  - 5 In Chapter 6A of Part 3 (trade profits: R&D expenditure...)
  - 6 In Part 13 (additional relief for expenditure on R&D)—
  - 7 In Schedule 2 (transitionals and savings), in Part 15 (research...)
  - 8 In Schedule 4 (index of defined expressions), in both places...
  - 9 In section 357BLB of CTA 2010 (qualifying expenditure on relevant...  
Part 3 — AMENDMENTS TO SCHEDULE 18 TO FA 1998
  - 10 Introduction
  - 11 Power of HMRC to collect overpaid R&D tax relief or expenditure  
credit
  - 12 Time limits for R&D claims
  - 13 Requirement to provide additional information in relation to R&D  
claims
  - 14 Power of HMRC to remove R&D claims made in error from return  
Part 4 — MISCELLANEOUS AMENDMENTS
  - 15 Amendment of CTA 2009
  - 16 R&D tax relief: circumstances in which enterprises are treated as SMEs
  - 17 Accounts treated as prepared on going concern basis
  - 18 Meaning of expenditure incurred on payments  
Part 5 — COMMENCEMENT
  - 19 The amendment made by paragraph 13 of this Schedule has...
  - 20 The amendments made by the remaining provisions of this Schedule...
- Schedule 2 — Estates in administration and trusts  
Part 1 — ESTATES IN ADMINISTRATION

## CHAPTER 1

### INCOME TAX

- 1 The applicable rate for grossing up basic amounts of estate income
- 2 The applicable rate for grossing up for determining shares in an estate in  
the final tax year
- 3 Income from stock dividends etc treated as bearing income tax at 0%
- 4 Income treated as dividend income and savings income
- 5 Order in which basic amounts are treated as paid from aggregate income

## CHAPTER 2

### CORPORATION TAX

- 6 The applicable rate for grossing up basic amounts of estate income
- 7 The applicable rate for grossing up for determining shares in an estate in  
the final tax year
- 8 Income from stock dividends etc treated as bearing income tax at 0%
- 9 Order in which basic amounts are treated as paid from aggregate income  
Part 2 — LOW INCOME TRUSTS AND ESTATES

**CHAPTER 1**

## INCOME TAX

- 10 Low income estates and trusts: tax liability of personal representatives and trustees
- 11 Low income estates: tax liability of beneficiaries

**CHAPTER 2**

## CORPORATION TAX

- 12 Low income estates: tax liability of beneficiaries
  - Part 3 — RATE OF TAX CHARGED ON TRUSTEES' FIRST SLICE OF TRUST  
RATE INCOME: INCOME TAX
- 13 (1) ITA 2007 is amended as follows.
  - Part 4 — COMMENCEMENT
- 14 (1) The amendments made by this Schedule have effect as...
  - Schedule 3 — Corporate interest restriction etc.
    - Part 1 — AMENDMENTS TO TIOPA 2010
      - 1 Introduction
      - 2 Tax-interest expense amounts of a company: charities
      - 3 First period of account where new holding company
      - 4 In section 400A (carry forward of excess debt cap: new...
      - 5 Amounts not brought into account in determining a company's tax-EBITDA
      - 6 "Relevant expense amount" and "relevant income amount"
      - 7 In section 412 (interpretation of section 411), in subsection (7),...
      - 8 Adjusted net group-interest expense: debits referable to times before UK property business etc carried on
      - 9 Adjusted net group-interest expense: debits in respect of pre-trading expenditure
      - 10 Qualifying net group-interest expense: meaning of "equity notes"
      - 11 In section 415 (qualifying net group-interest expense: interpretation), for subsection...
      - 12 Capitalised interest brought into account for tax purposes in accordance with GAAP
      - 13 Interest allowance (non-consolidated investment) election: "non-consolidated associate"
      - 14 Public infrastructure
        - 15 (1) Section 436 (meaning of "qualifying infrastructure activity") is amended...
      - 16 After section 438 insert— Application of section 438: certain creditors...
      - 17 Partnerships and other transparent entities
      - 18 Investments held by investment managers
      - 19 Determining the worldwide group: "non-consolidated subsidiary" and "consolidated subsidiary"
      - 20 Appointment of a reporting company by Revenue and Customs
      - 21 Revised interest restriction return
        - 22 (1) Paragraph 29 of Schedule 7A (penalty for failure to...
        - 23 Enquiry into interest restriction return
        - 24 Determinations by officers of Revenue and Customs



- 25 Consequential claims to company tax returns
    - Part 2 — OTHER AMENDMENTS
  - 26 Penalties for errors: CIR alterations to be ignored in calculating potential lost revenue
  - 27 Disapplication of carry forward rule for deficits
  - 28 Defined expressions used in Part 10 of TIOPA 2010: “insurance company”
  - 29 Determining the worldwide group: consequential amendment
    - Part 3 — PARTS 1 AND 2: COMMENCEMENT AND TRANSITIONAL PROVISION
  - 30 Except as provided in paragraphs 31 to 35, the amendments...
  - 31 The amendments made by paragraph 5(1) and (3) have effect...
  - 32 (1) The amendments made by paragraph 8 have effect for...
  - 33 The amendments made by paragraph 9 have effect for periods...
  - 34 The amendments made by paragraphs 2, 14 to 16, and...
  - 35 The amendment made by paragraph 20 has effect in relation...
  - 36 References in this Part of this Schedule to periods of...
    - Part 4 — TAX TREATMENT OF FINANCING COSTS AND INCOME
  - 37 This Part of this Schedule applies if—
  - 38 (1) Part 7 of TIOPA 2010 has effect in relation...
  - 39 For the purposes of this Part (and of the application...
  - 40 (1) References in this Part to any provision of Part...
- Schedule 4 — Investment vehicles
- Part 1 — UK PROPERTY RICH COLLECTIVE INVESTMENT VEHICLES ETC
  - 1 Genuine diversity of ownership
    - Part 2 — REAL ESTATE INVESTMENT TRUSTS
  - 2 Amendment of CTA 2010
  - 3 REITs involving single commercial property
  - 4 3-year development rule
  - 5 Genuine diversity of ownership
  - 6 Amendment of the Real Estate Investment Trusts (Assessment and Recovery of Tax) Regulations 2006
    - Part 3 — QUALIFYING ASSET HOLDING COMPANIES
  - 7 Amendment of Schedule 2 to FA 2022
  - 8 Securitisation companies unable to be QAHCs
  - 9 Beneficial entitlement held only through QAHCs
  - 10 Determining relevant interests
  - 11 Dealing with bodies corporate without share capital
  - 12 Genuine diversity of ownership
  - 13 Investment strategy condition
  - 14 Disposal of derivatives where underlying subject matter is shares
  - 15 Alternative finance arrangements
- Schedule 5 — Records relating to transfer pricing
- Part 1 — AMENDMENTS RELATING TO CORPORATION TAX
  - 1 Records to be kept for the purposes of corporation tax
  - 2 Assessments relating to corporation tax
    - Part 2 — AMENDMENTS RELATING TO INCOME TAX
  - 3 Records to be kept for the purposes of income tax
  - 4 Assessments relating to income tax
    - Part 3 — AMENDMENTS RELATING TO CORPORATION TAX AND INCOME TAX

- 
- 5 Penalties for errors
  - 6 Information and inspection powers
    - Part 4 — COMMENCEMENT
  - 7 Regulations made under— (a) paragraph 21 of Schedule 18 to...
    - Schedule 6 — Categories of alcoholic products: interpretation
      - 1 Spirits
        - 2 The extraction of spirits absorbed in a wooden cask is...
      - 3 Beer
        - 4 (1) A qualifying beer-based beverage is treated as beer for...
      - 5 Cider
        - 6 In paragraph 5, “permitted substance” means a substance that—
        - 7 (1) For the purposes of paragraph 5, the juice content...
        - 8 (1) “Sparkling cider” means cider which— (a) if it is...
        - 9 Rendering cider sparkling, at any time after the excise duty...
        - 10 “Still cider” means cider that is not sparkling cider.
      - 11 Wine
      - 12 Other fermented products
    - Schedule 7 — Rates of alcohol duty
    - Schedule 8 — Qualifying draught products: reduced rates
    - Schedule 9 — Small producer alcoholic products: duty discount
      - Part 1 — ALCOHOLIC PRODUCTS, OTHER THAN QUALIFYING DRAUGHT PRODUCTS, OF AN ALCOHOLIC STRENGTH OF LESS THAN 8.5%
      - Part 2 — QUALIFYING DRAUGHT PRODUCTS OF AN ALCOHOLIC STRENGTH OF LESS THAN 8.5%
    - Schedule 10 — Penalties for contraventions of alcohol wholesaling provisions
      - 1 Liability to penalty
      - 2 Amount of penalty
      - 3 Reductions for disclosure
        - 4 (1) Where P discloses a contravention, the Commissioners must reduce...
      - 5 Special reduction
      - 6 Assessment
      - 7 Reasonable excuse
      - 8 Companies: officer’s liability
      - 9 Double jeopardy
      - 10 The maximum amount
      - 11 Appeal tribunal
    - Schedule 11 — Alcohol duty: reviews and appeals
      - 1 (1) Section 13A(2) of FA 1994 (meaning of “relevant decision”)...
      - 2 In Schedule 5 to FA 1994 (decisions subject to review...
    - Schedule 12 — Alcohol duty: duty stamps
      - 1 Retail containers to be stamped
      - 2 Power to alter alcoholic products, and capacity of containers, to which this Schedule applies
      - 3 Acquisition of, and payment for, duty stamps
      - 4 Regulations

- 5 Offences of possession, sale etc of unstamped containers
- 6 Offence of using premises for sale of alcoholic products in or from unstamped containers
- 7 Alcohol sales ban following conviction for an offence under paragraph 6
- 8 Penalty for altering duty stamps
- 9 Penalty for affixing wrong, altered or forged stamps, or over-labelling
- 10 Penalty for failing to comply with regulations
- 11 Forfeiture of forged, altered or stolen duty stamps
- 12 Interpretation

### Schedule 13 — Alcohol duty: minor and consequential amendments

#### Part 1 — GENERAL

- 1 CEMA 1979
  - 2 (1) Section 1 (interpretation) is amended as follows.
  - 3 In section 112 (power of entry upon premises, etc of...
  - 4 (1) Section 114 (power to prohibit use of certain substances...
  - 5 In section 163A (power to search articles), in subsection (2),...
  - 6 Customs and Excise Duties (General Reliefs) Act 1979
  - 7 Excise Duties (Surcharges or Rebates) Act 1979
  - 8 FA 1994
  - 9 In section 12 (assessments to excise duty), in subsection (2)(ca),...
  - 10 In section 12A (other assessments relating to excise duty matters),...
  - 11 (1) Section 12B (section 12A: supplementary provisions) is amended as...
  - 12 In section 16 (appeals to a tribunal), in subsection (3A),...
  - 13 In section 16A (temporary approvals etc. pending review or appeal),...
  - 14 In Schedule 5 (decisions subject to review and appeal)—
  - 15 VATA 1994
  - 16 FA 2001
  - 17 FA 2007
  - 18 FA 2008
  - 19 TCTA 2018
  - 20 Taxation (Post-transition Period) Act 2020
- #### Part 2 — APPROVALS ETC.
- 21 CEMA 1979
  - 22 (1) Section 1(1) (interpretation:defined terms) is amended as follows.
  - 23 (1) Section 112 (power of entry upon premises, etc of...
  - 24 In section 113 (power to search for concealed pipes etc),...
  - 25 In section 136 (offences in connection with claims for drawback...
  - 26 (1) Section 160 (power to take samples) is amended as...
  - 27 In section 178 (citation) in subsection (2), omit “the Alcoholic...
  - 28 FA 1994
  - 29 FA 2007
  - 30 FA 2008
  - 31 FA 2009
  - 32 (1) In Schedule 55 (penalty for failure to make returns...
  - 33 (1) In Schedule 56 (penalty for failure to make payments...

### Schedule 14 — Administration of multinational top-up tax

#### Part 1 — OVERVIEW

- 1 (1) The Commissioners for His Majesty’s Revenue and Customs are...

#### Part 2 — MEANING OF “FILING MEMBER”

- 2 (1) The filing member of a multinational group is the...

*Status: This is the original version (as it was originally enacted).*

---

- 3 (1) This paragraph applies where— (a) the filing member of...
- 4 (1) The obligations of a filing member of a multinational...
- 5 (1) This paragraph applies if at any time (“the relevant...
- Part 3 — REGISTRATION
- 6 (1) The filing member of a multinational group must register...
- 7 (1) This paragraph applies where the filing member of a...
- 8 (1) This paragraph applies where the filing member of a...
- 9 (1) The filing member of a registered group must notify...
- Part 4 — INFORMATION RETURNS
- 10 (1) The filing member of a registered group must submit...
- 11 (1) The filing member may amend a return submitted under...
- 12 HMRC may take into account an information return in performing...
- Part 5 — SELF-ASSESSMENT RETURNS
- 13 (1) The filing member of a registered group must submit...
- 14 (1) The filing member may amend a return submitted under...
- Part 6 — ENQUIRIES INTO A SELF-ASSESSMENT RETURN
- 15 (1) This Part of this Schedule applies if the filing...
- 16 (1) An officer of Revenue and Customs may enquire into...
- 17 (1) An enquiry may extend to anything contained in the...
- 18 (1) For the purposes of this Part an enquiry is...
- 19 (1) If at a time when an enquiry is in...
- 20 (1) This paragraph applies if a return is amended at...
- 21 (1) At any time when an enquiry is in progress...
- 22 (1) Any matter to which an enquiry into a return...
- 23 (1) The filing member may apply to the tribunal for...
- Part 7 — DETERMINATIONS WHERE SELF-ASSESSMENT RETURN NOT  
SUBMITTED
- 24 This Part of this Schedule applies if the filing member...
- 25 (1) An officer of Revenue and Customs may make a...
- 26 (1) If, after a determination has been made—
- Part 8 — DISCOVERY ASSESSMENTS
- 27 (1) If, in respect of an accounting period, an officer...
- 28 (1) This paragraph applies where the filing member of the...
- 29 (1) The general rule is that no discovery assessment may...
- 30 (1) The officer of Revenue and Customs must give notice...
- Part 9 — RECORD-KEEPING REQUIREMENTS
- 31 (1) The filing member of the group must—
- Part 10 — PAYMENTS OF MULTINATIONAL TOP-UP TAX
- 32 Timing of payments
- 33 (1) Interest is to accrue on amounts payable under paragraph...
- 34 Group payment notices
- 35 (1) Where the multinational group contains ring-fenced entities, a  
group...
- 36 (1) The effect of a group payment notice being issued...
- 37 Effect of group payment for tax purposes
- 38 Recovery
- 39 Power to make regulations
- Part 11 — PENALTIES
- 40 Penalties payable in connection with this Schedule
- 41 In paragraph 1 of Schedule 41 to FA 2008 (penalties...
- 42 (1) A penalty is payable if the filing member fails...
- 43 (1) A penalty is payable if the filing member fails...
- 44 (1) This paragraph applies if the filing member satisfies HMRC...

- 45 In paragraph 1 of Schedule 24 to FA 2007 (penalties...
- 46 (1) A penalty is payable if— (a) the member breaches...
- 47 Penalties under paragraphs 42, 43 and 46: administration and supplemental provision
- 48 (1) HMRC must— (a) assess the penalty, and
- 49 (1) If HMRC thinks it right because of special circumstances,...
- 50 Multiple penalties in respect of same accounting period
- Part 12 — APPEALS AND CLAIMS
- 51 Claims in relation to overpaid tax
- 52 (1) This paragraph applies where one or more of Cases...
- 53 (1) An officer of Revenue and Customs may enquire into...
- 54 (1) This paragraph applies where— (a) an amount has been...
- 55 Appeals of decisions: general
- 56 (1) The effect of a notice of appeal being given...
- 57 Reviews by HMRC
- 58 (1) The review is to be conducted as follows.
- 59 (1) The review may conclude that HMRC's view of the...
- 60 (1) In paragraphs 57 to 59, a reference to the...
- 61 Settlement agreements
- 62 Determination by tribunal
- 63 Postponement of payment pending appeal
- 64 (1) The appellant may apply to HMRC for a determination...
- 65 (1) The appellant may apply to the tribunal for a...
- 66 (1) HMRC and the appellant may agree that payment of...
- 67 Special provisions as to penalties
- Part 13 — OTHER AMENDMENTS
- 68 (1) In section 1(1) of the Provisional Collection of Taxes...

#### Schedule 15 — Multinational top-up tax: elections

- 1 Long term elections
- 2 Annual elections

#### Schedule 16 — Multinational top-up tax: transitional provision

##### Part 1 — GENERAL TRANSITIONAL MEASURES

- 1 Transitional relief for substance-based income exclusion
- 2 Intra-group transfers before entry into regime

##### Part 2 — TRANSITIONAL SAFE HARBOUR

## CHAPTER 1

### TRANSITIONAL SAFE HARBOUR ELECTION

- 3 Election
- 4 Qualified financial statements and basis of calculations
- 5 Qualifying income tax expense
- 6 Adjustments
- 7 Threshold test
- 8 Simplified effective tax rate test
- 9 Routine profits test

**CHAPTER 2**

## APPLICATION TO JOINT VENTURES ETC

- 10 Application in the case of joint venture group
  - 11 Application to investment entities in same territory as owners
  - 12 Minority owned members
- Schedule 17 — Index of expressions defined or explained in Parts 3 and 4
- Schedule 18 — Administration of domestic top-up tax
- 1 Introduction
  - 2 Meaning of “filing member”
  - 3 Registration
  - 4 Other administrative provisions
  - 5 (1) In Part 11 of Schedule 14 (penalties), only paragraphs...
  - 6 Amendments: penalties
  - 7 Other amendments
- Schedule 19 — Dumping, subsidisation and safeguarding remedies
- Part 1 — DUMPING AND SUBSIDISATION REMEDIES
    - 1 Introduction
    - 2 Notification etc
    - 3 Provisional remedies
    - 4 Definitive remedies
    - 5 Reviews etc
    - 6 Revocation in the public interest
    - 7 Power to request assistance etc
  - Part 2 — SAFEGUARDING REMEDIES
    - 8 Introduction
    - 9 Notification etc
    - 10 Provisional remedies
    - 11 Definitive remedies
    - 12 Reviews etc
    - 13 Revocation in the public interest
    - 14 Power to request assistance etc
  - Part 3 — CONSEQUENTIAL AND RELATED PROVISION
    - 15 In section 13 of TCTA 2018 (dumping of goods, foreign...
    - 16 (1) The Treasury or the Secretary of State may by...
  - Part 4 — COMMENCEMENT
    - 17 (1) Any power to make regulations under or by virtue...
- Schedule 20 — Bilateral safeguarding remedies
- Part 1 — AMENDMENTS TO TCTA 2018
    - 1 (1) Section 13 of TCTA 2018 is amended as follows....
    - 2 After Schedule 5 of that Act insert— Schedule 5A Increase...
  - Part 2 — COMMENCEMENT
    - 3 (1) Any power to make regulations under or by virtue...
- Schedule 21 — Soft drinks industry levy: flavour concentrates
- 1 Introduction
  - 2 Meaning of “soft drink” and “package”
  - 3 Meaning of “prepared drinks”

- 4 Sugar content condition
- 5 Exempt soft drinks
- 6 Levy rates
- 7 Tax credits
- 8 Commencement

Schedule 22 — Reforms of HGV road user levy

- 1 The HGV Road User Levy Act 2013 is amended as...
- 2 In section 1(1) (charge to HGV road user levy), for...
- 3 (1) Section 3 (roads to which this Act applies) is...
- 4 In section 5(7) (payment of levy for UK heavy goods...
- 5 (1) Section 6 (payment of levy for non-UK heavy goods...
- 6 In section 7(2) (rebate of levy), for paragraph (c) substitute—...
- 7 In section 11 (offence of using or keeping heavy goods...
- 8 (1) Section 14 (register of levy paid or due to...
- 9 In section 19 (interpretation), in subsection (1), in the definition...
- 10 (1) Schedule 1 (rates of HGV road user levy) is...
- 11 (1) In consequence of the amendments made by paragraph 10,...
- 12 The amendments made by this Schedule come into force on...

Schedule 23 — Freeports and investment zones: consequential amendments

- 1 FA 2003
- 2 In section 61A— (a) in subsection (1), for “freeport tax...
- 3 In section 81— (a) in subsection (1A)(aa), for “freeport tax sites”...
- 4 In section 81ZA— (a) in subsection (1), for “freeport tax...
- 5 In section 85(3), for “freeport tax sites” substitute “special tax...
- 6 In section 86(2)(zb) and (2A), for “freeport tax sites” substitute...
- 7 In section 87(3)(azaa) and (azab), for “freeport tax sites” substitute...
- 8 In Schedule 6C— (a) for paragraph 2 and the italic...
- 9 CAA 2001
- 10 In section 3— (a) in subsection (2ZZA), for “freeport tax...
- 11 In the following provisions of Part 2 (plant and machinery...
- 12 In section 45Q— (a) in subsection (1)(b), for “the “non-freeport...
- 13 In the following provisions of Part 2A (structures and building...
- 14 In the following provisions of that Part—
- 15 For section 573A substitute— Special tax sites In this Act “special tax site” means an area for...
- 16 In Part 2 of Schedule 1— (a) omit the definition...
- 17 FA 2021
- 18 In the italic heading before section 113 at the end...
- 19 In the heading for section 113 (designation of freeport tax...
- 20 National Insurance Contributions Act 2022
- 21 In the italic heading before section 1, for “Freeports” substitute...
- 22 In section 1— (a) in subsections (1)(b) and (6), for...
- 23 In section 2— (a) in subsection (1)—
- 24 In section 3— (a) omit subsection (1),
- 25 In section 5, in the heading, for “freeport tax sites”...
- 26 In section 12(2), omit paragraph (a).
- 27 In section 13(2)— (a) omit the definition of “freeport tax...

Schedule 24 — Homes for Ukraine Sponsorship Scheme: exemptions from tax

- 1 Income tax and corporation tax
- 2 Annual tax on enveloped dwellings

*Status: This is the original version (as it was originally enacted).*

---

- 3 Stamp duty land tax
- 4 Regulations