



# Finance (No. 2) Act 2023

## 2023 CHAPTER 30

### PART 3

#### MULTINATIONAL TOP-UP TAX

### CHAPTER 2

#### QUALIFYING MULTINATIONAL GROUPS AND THEIR MEMBERS

#### *Responsible members*

#### **128 Responsible members**

- (1) The ultimate parent of a multinational group is a responsible member of that group if it is subject to Pillar Two IIR tax.
- (2) An ultimate parent that is a responsible member of a multinational group is responsible for all of its members that are not located in the territory it is located in.
- (3) An intermediate parent member of a multinational group (see [section 237\(2\)](#)) that is located in a Pillar Two territory is a responsible member of that group if it is subject to Pillar Two IIR tax and—
  - (a) no intermediate parent member of that group that is subject to Pillar Two IIR tax has a controlling interest in it,
  - (b) the ultimate parent is not subject to Pillar Two IIR tax, and
  - (c) it has an ownership interest in a member of the group that has a top-up amount.
- (4) Such an intermediate parent member is responsible for all of the members of the group it has an ownership interest in that are not located in the territory it is located in.
- (5) A partially-owned parent member of a multinational group (see [section 237\(1\)](#)) that is located in a Pillar Two territory is a responsible member if it is subject to Pillar Two IIR tax and—

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*Status: This is the original version (as it was originally enacted).*

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- (a) it is not wholly owned by another partially-owned parent member of that group that is subject to Pillar Two IIR tax, and
  - (b) it has an ownership interest in a member of the group that has a top-up amount.
- (6) Such a partially owned parent member is responsible for all of the members of the group it has an ownership interest in that are not located in the same territory it is located in.
- (7) For the purposes of [this Part](#) an entity is subject to Pillar Two IIR tax if—
  - (a) the entity is located in the United Kingdom and is not an excluded entity, or
  - (b) the entity—
    - (i) is located in another Pillar Two territory in which a tax equivalent to multinational top-up tax is in force, and
    - (ii) is not excluded from the application of that tax as a result of provision equivalent to [section 127](#).