



Finance (No. 2) Act 2023

2023 CHAPTER 30

PART 3

MULTINATIONAL TOP-UP TAX

CHAPTER 6

CALCULATION OF TOP-UP AMOUNTS

198 Eligible payroll costs and eligible tangible asset amount: permanent establishments and flow-through entities

- (1) In calculating the eligible payroll costs and eligible tangible asset amount of a permanent establishment, the only amounts to be taken into account are amounts that would be taken into account in determining the adjusted profits of the establishment.
- (2) But if, following the application of subsection (1), the value of an eligible tangible asset used in the business of the establishment has not been taken into account in calculating the eligible tangible asset amount of the establishment, the value of that asset is to be taken into account as well.
- (3) In calculating the eligible payroll costs and eligible tangible asset amount of a flow-through entity, the only amounts to be taken into account are amounts that would be taken into account in determining the adjusted profits of the entity.