



# Finance (No. 2) Act 2023

## 2023 CHAPTER 30

### PART 3

#### MULTINATIONAL TOP-UP TAX

### CHAPTER 8

#### FURTHER ADJUSTMENTS

##### *Covered taxes less than nil*

#### **205 Election to carry forward and reduce collective additional amount**

- (1) [This section](#) applies where the standard members of a multinational group in a territory (“the relevant territory”) have a collective additional amount for an accounting period (“the current period”) and the filing member of the group has elected for this section to apply for that period.
- (2) Where [this section](#) applies—
  - (a) the qualifying amount of the collective additional amount for the current period is to be subtracted from the combined covered tax balance for the standard members of the group in the relevant territory in the next accounting period in which those members do not have a collective loss, and
  - (b) the collective additional amount for the current period is to be reduced by the qualifying amount of that collective additional amount (including to nil where the whole amount is qualifying).
- (3) The amount of the collective additional amount that is “qualifying” is the amount given by subtracting the amount of any deferred tax asset deemed to arise under [section 217\(7\)](#) for the period.
- (4) [Paragraph 2 of Schedule 15](#) (annual elections) applies to an election under [this section](#).