



# Finance (No. 2) Act 2023

## 2023 CHAPTER 30

### PART 3

#### MULTINATIONAL TOP-UP TAX

### CHAPTER 9

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

#### *Minority owned members*

#### **228 Minority owned members**

- (1) For the purposes of this Part, a member of a multinational group is a “minority owned member” if—
  - (a) the ultimate parent holds no more than 30% of the ownership interests in that member, and
  - (b) the member is not an investment entity.
- (2) If—
  - (a) a minority owned member (“M”) holds (directly or indirectly) ownership interests in another minority owned member, and
  - (b) no other minority owned member holds (directly or indirectly) ownership interests in M,

M is the minority owned parent of a minority subgroup, and the minority owned members in which M has ownership interests are also members of that group.
- (3) For the purpose of determining the effective tax rate and top-up amounts of members of a minority subgroup, this Part applies as if references to standard members of a multinational group were instead to members of that subgroup.

- (4) For the purposes of determining the effective tax rate and top-up amounts of a minority owned member that is not a member of a minority subgroup, this Part applies as if references to standard members of a multinational group were instead to that member.