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STATUTORY INSTRUMENTS

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**2023 No. 508**

**CORPORATION TAX**

**The Tonnage Tax (Further Opportunity for Election) Order 2023**

<i>Made</i>	- - - -	<i>9th May 2023</i>
<i>Laid before the House of Commons</i>	- - - -	<i>11th May 2023</i>
<i>Coming into force</i>	- -	<i>1st June 2023</i>

The Treasury make the following Order in exercise of the powers conferred by paragraph 11 of Schedule 22 to the Finance Act 2000<sup>(1)</sup>.

**Citation and commencement**

1. This Order may be cited as the Tonnage Tax (Further Opportunity for Election) Order 2023 and comes into force on 1st June 2023.

**Further period during which tonnage tax election may be made**

2. A tonnage tax election may be made at any time during the period beginning on 1st June 2023 and ending with 30th November 2024 (“the second further period”).

**Application of Part 2 of Schedule 22 to the Finance Act 2000 for the second further period**

3.—(1) In the case of elections made during the second further period, Part 2 of Schedule 22 to the Finance Act 2000 (tonnage tax elections)<sup>(2)</sup> applies as adapted by this article.

(2) Paragraph 12 (when a tonnage tax election takes effect) has effect as if—

(a) in sub-paragraph (2)—

(i) after “A tonnage tax election” there were inserted “made during the second further period”;

(ii) for “1st January 2000” there were substituted “1st January 2023”;

(b) in sub-paragraph (3)—

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(1) 2000 c. 17.

(2) Part 2 of Schedule 22 was amended by paragraphs 2 and 3 of Schedule 7 to the Finance Act 2005 (c. 7) and by section 25 of the Finance Act 2022 (c. 3). Part 2 of Schedule 22 was also adapted by S.I. 2005/1449 in the case of elections made during the “further period” specified in that Order (which was the period beginning on 1st July 2005 and ending on 31st December 2006).

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**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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- (i) for “before the end of the initial period” there were substituted “during the second further period”;
- (ii) for “1st January 2000” there were substituted “1st January 2023”;
- (c) in sub-paragraph (4) for “before the end of the initial period” there were substituted “during the second further period”;
- (d) after sub-paragraph (6) there were inserted—
  - “(7) In this paragraph “the second further period” means the period provided for by article 2 of the Tonnage Tax (Further Opportunity for Election) Order 2023 ([S.I. 2023/508](#)).”.

9th May 2023

*Andrew Stephenson*  
*Steve Double*  
Two of the Lords Commissioners of His  
Majesty's Treasury

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

Schedule 22 of the Finance Act 2000 provides an alternative regime (“tonnage tax”) for calculating the profits of a shipping company for the purposes of corporation tax. Paragraph 1(2) of that Schedule provides that the tonnage tax regime applies only if an election to that effect (“a tonnage tax election”) is made. The rules as to the making of a tonnage tax election are contained at Part 2 of Schedule 22.

The Order provides for a new opportunity for the making of a tonnage tax election under Schedule 22.

Article 1 provides for citation and commencement.

Article 2 provides for a second further period of eighteen months during which new tonnage tax elections may be made. The second further period begins on 1st June 2023 and ends with 30th November 2024.

Article 3 adapts paragraph 12 of Schedule 22 in cases where a tonnage tax election is made during the second further period.

A Tax Information and Impact Note has not been prepared for this instrument as it contains no substantive changes to tax policy.