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DRAFT STATUTORY INSTRUMENTS

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**2016 No.**

**The Pubs Code (Fees, Costs and  
Financial Penalties) Regulations 2016**

**Permitted maximum penalty: interpretation**

**6.—(1)** For the purposes of regulation 5, the pub-owning group’s “applicable turnover” for any period is the total of all income that is—

- (a) receivable in the period by the pub-owning business or any group undertaking of the pub-owning business; and
- (b) within paragraph (2),

after deduction of trade discounts, value added tax and other taxes based on that income.

(2) Income is within this paragraph if it is—

- (a) derived from the provision of products and services falling within the pub-owning group’s ordinary activities in the United Kingdom;
- (b) rent or money payable in lieu of rent, in respect of land in the United Kingdom; or
- (c) gifts, grants, subsidies or membership fees receivable in the course of the pub-owning group’s ordinary activities in the United Kingdom.

(3) Amounts are to be calculated for the purposes of this regulation in conformity with generally accepted accounting principles and practices.

(4) In this regulation, “the pub-owning group” has the same meaning as in regulation 5.