

*These notes refer to the Finance Act 2015 (c.11)  
which received Royal Assent on 26 March 2015*

# **FINANCE ACT 2015**

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## **EXPLANATORY NOTES**

### **INTRODUCTION**

#### ***Section 114: Other Defined Terms in Part 3***

##### **Summary**

1. This section defines various terms used in this Part.

##### **Details of the Section**

2. Subsection (1) defines various terms.
3. Subsection (2) provides that, for the purposes of this Part, a tax having the characteristics set out at (a) or (b) may be considered to correspond to corporation tax.

##### **Background Note**

4. The diverted profits tax is a new charge on diverted profits. The main objective is to counteract contrived arrangements used by large groups (typically multinational enterprises) that result in the erosion of the UK tax base.