



Finance Act 2015

2015 CHAPTER 11

PART 3

DIVERTED PROFITS TAX

Charge to tax

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- (1) A charge to diverted profits tax is imposed for an accounting period by a designated HMRC officer issuing to the company a charging notice in accordance with section 95 or a supplementary charging notice in accordance with section 101(8).
- (2) The amount of tax charged by a notice is the sum of—
 - (a) 25% of the amount of taxable diverted profits specified in the notice, and
 - (b) the interest (if any) on the amount within paragraph (a) determined under subsection (4).
- (3) But if, and to the extent that, the taxable diverted profits are adjusted ring fence profits or notional adjusted ring fence profits, and determined under section 84 or 85, subsection (2)(a) has effect in relation to those profits as if the rate specified were 55% rather than 25%.
- (4) The interest mentioned in subsection (2)(b) is interest at the rate applicable under section 178 of FA 1989 for the period (if any) which—
 - (a) begins 6 months after the end of the accounting period to which the charge relates, and
 - (b) ends with the day the notice imposing the charge to tax is issued.
- (5) In this section—
 - “adjusted ring fence profits” has the same meaning as in section 330 of CTA 2010 (supplementary charge in respect of ring fence trades);
 - “notional adjusted ring fence profits”, in relation to the company, means the total of—

Status: This is the original version (as it was originally enacted).

- (a) profits within section 85(5)(a), to the extent that (assuming they were profits of the company chargeable to corporation tax) they would have been adjusted ring fence profits, and
- (b) any amounts of relevant taxable income of a company (“CC”) within section 85(4)(b) or (5)(b), to the extent that (assuming those amounts were profits of CC chargeable to corporation tax) they would have been adjusted ring fence profits of CC.