



# Finance Act 2020

## 2020 CHAPTER 14

### PART 2

#### DIGITAL SERVICES TAX

##### *Charge to tax*

#### **47 Charge to DST**

- (1) This section applies where the threshold conditions are met in relation to a group for an accounting period.
- (2) Each person who was a member of the group in the accounting period (a “relevant person”) is liable to digital services tax in respect of UK digital services revenues arising in that period.
- (3) To find the liability of a relevant person to digital services tax in respect of the accounting period, take the following steps.
  - Step 1* Take the total amount of UK digital services revenues arising to members of the group in the accounting period.
  - Step 2* Deduct £25million from the amount found under step 1.
  - Step 3* Calculate 2% of the amount calculated under step 2. The result is “the group amount”.
  - Step 4* The relevant person's liability to digital services tax in respect of the accounting period is the appropriate proportion of the group amount.
- (4) In this section “the appropriate proportion” means such proportion of the total amount of UK digital services revenues arising to members of the group in the accounting period as is attributable to the relevant person.
- (5) If the duration of the accounting period is less than a year, the sum mentioned in step 2 of subsection (3) is proportionately reduced.
- (6) This section is subject to section 48 (alternative basis of charge).

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2020, Section 47.