



Finance Act 2020

2020 CHAPTER 14

PART 2

DIGITAL SERVICES TAX

Accounting periods, accounts etc

64 Meaning of “the applicable accounting standards” etc

- (1) This section applies for the purposes of this Part.
- (2) “The applicable accounting standards”, in relation to a group, means—
 - (a) for any period for which the group's accounts are produced in accordance with UK GAAP, UK GAAP;
 - (b) for any period for which the group's accounts are produced in accordance with acceptable overseas GAAP, acceptable overseas GAAP;
 - (c) for any period for which the group's accounts are produced in accordance with a specified standard, that standard;
 - (d) otherwise, IAS.
- (3) “UK GAAP”—
 - (a) means generally accepted accounting practice in relation to accounts of UK companies (other than accounts prepared in accordance with IAS) that are intended to give a true and fair view, and
 - (b) has the same meaning in relation to persons other than companies, and companies that are not UK companies, as it has in relation to UK companies.

“UK companies” here means companies incorporated or formed under the law of a part of the United Kingdom.
- (4) “Acceptable overseas GAAP” means the generally accepted accounting practice and principles of any of the following—
 - Canada;
 - China;

*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 2020, Section 64. (See end of Document for details)*

Japan;
South Korea;
the United States of America.

- (5) “IAS” means—
- (a) International Accounting Standards,
 - (b) International Financial Reporting Standards, and
 - (c) related interpretations,
- issued or adopted, from time to time, by the International Accounting Standards Board.
- (6) In subsection (2)(c), “specified” means specified in a notice published by HMRC.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2020, Section 64.