



Finance (No. 2) Act 2023

2023 CHAPTER 30

PART 1

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

Other reliefs relating to businesses

11 Treatment of profits from patents etc: small profits rate of corporation tax

- (1) In section 357A of CTA 2010 (election for special treatment of profits from patents etc), in subsection (3)—
 - (a) in the formula, in both places it occurs, for “MR” substitute “AR”;
 - (b) for the definition of “MR” substitute—

““AR” means, in relation to a company—

 - (a) in a case where corporation tax is charged at the standard small profits rate on the company’s taxable total profits of the accounting period mentioned in subsection (1) which are not ring fence profits, that rate, or
 - (b) in any other case, the main rate of corporation tax.”
- (2) The amendments made by [subsection \(1\)](#) have effect in relation to accounting periods beginning on or after 1 April 2023.