



Finance (No. 2) Act 2023

2023 CHAPTER 30

PART 3

MULTINATIONAL TOP-UP TAX

CHAPTER 2

QUALIFYING MULTINATIONAL GROUPS AND THEIR MEMBERS

Qualifying multinational groups

131 Whether de-merged groups meet the revenue threshold

(1) Where a multinational group is the result of a qualifying de-merger (“a de-merged group”), section 129 has effect in relation to that group for its first accounting period that ends after the de-merger, and in the 3 accounting periods that follow it as if for subsection (2) there were substituted—

“(2) A de-merged group meets condition A^{F1}...—

- (a) in its first accounting period that ends after the de-merger, if its members have revenue for that period that exceeds the threshold set out in [section 129\(4\)](#), and
- (b) in any of the second to fourth accounting periods ending after the de-merger, if its members have revenue that exceeds the threshold set out in that section in any two of the following periods—
 - (i) that period;
 - (ii) any of the accounting periods that precede that period and end after the de-merger.”

[^{F2}(2) In this section “qualifying de-merger” means the separation of members of a relevant multinational group into two or more consolidated groups in an accounting period of the relevant multinational group, such that those members cease to all be consolidated by the same ultimate parent.

Status: Point in time view as at 22/02/2024.

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2023, Section 131. (See end of Document for details)

- (3) A multinational group is relevant in an accounting period if—
- (a) it meets condition A in section 129(2) for that period (revenue threshold exceeded in at least 2 of previous 4 accounting periods), and
 - (b) Pillar Two rules apply to any member of the group for that period.]

Textual Amendments

- F1** Word in [s. 131\(1\)](#) omitted (22.2.2024 with effect for accounting periods beginning on or after 31.12.2023 in accordance with Sch. 12 para. 1(2) of the amending Act) by virtue of [Finance Act 2024 \(c. 3\)](#), [Sch. 12 para. 5\(2\)](#)
- F2** [S. 131\(2\)\(3\)](#) substituted for [s. 131\(2\)](#) (22.2.2024 with effect for accounting periods beginning on or after 31.12.2023 in accordance with Sch. 12 para. 1(2) of the amending Act) by [Finance Act 2024 \(c. 3\)](#), [Sch. 12 para. 5\(3\)](#)

Status:

Point in time view as at 22/02/2024.

Changes to legislation:

There are currently no known outstanding effects for the Finance (No. 2) Act 2023, Section 131.