



Finance (No. 2) Act 2023

2023 CHAPTER 30

PART 3

MULTINATIONAL TOP-UP TAX

CHAPTER 4

CALCULATION OF ADJUSTED PROFITS OF MEMBERS OF A MULTINATIONAL GROUP

Adjustments of underlying profits

143 Inclusion revaluation method gain or loss

- (1) The underlying profits of a member of a multinational group are to be adjusted so as to include any relevant revaluation method gain or loss.
- (2) “Relevant revaluation method gain or loss” means a gain or loss, before making any adjustment to reflect tax expense amounts, arising as a result of the use of an accounting method or practice that—
 - (a) periodically adjusts the carrying value of the member’s property, plant and equipment to its fair value,
 - (b) records the changes in value in other comprehensive income, and
 - (c) does not subsequently report the gains or losses through the profit and loss account.
- (3) In [this Part](#)—
 - “other comprehensive income”, in relation to a member of a multinational group, means items of income and expense that are recognised, in the underlying profits accounts, outside the profit and loss account;
 - “property, plant and equipment” has the meaning given, for the time being, by International Accounting Standard 16.