



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

146 Adjustment for changes in accounting policies and prior period errors

Where there has been a change to the net assets and liabilities of a member of a multinational group at the start of an accounting period, the underlying profits of that member for that period are to be adjusted to include the amount of that change if the change is attributable to—

- (a) a change in accounting policy that affects income or expenses included in determining the member's adjusted profits, or
- (b) a correction of an error reflected in the determination, for the purposes of this Part, of the adjusted profits of the member for a previous accounting period, except to the extent the [F1 error results in a recalculation under section 217(5) (post filing adjustments of covered taxes)].

Textual Amendments

- F1** Words in [s. 146\(b\)](#) substituted (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. 6](#)

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Point in time view as at 22/02/2024.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 146.