



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

Elections to treat certain amounts differently

165 Election to have excluded equity gains and losses included

- (1) The filing member of a multinational group may elect that qualifying excluded equity gains or losses of the standard members of the group in a territory are to be treated as not being excluded equity gains or losses for the purposes of [section 142](#).
- (2) Excluded equity gains or losses are “qualifying” if—
 - (a) those gains or losses are subject to covered taxes (as taxable gains or allowable losses) in that territory, or
 - (b) in the case of gains or losses falling within [section 142\(2\)\(a\)](#) that are not subject to covered taxes in that territory, gains or losses on the disposal of the qualifying interest in question are subject to covered taxes in that territory.
- (3) Paragraph 1 of [Schedule 15](#) (long term elections) applies to an election under [subsection \(1\)](#).
- (4) But a revocation of the election under that paragraph does not have effect in relation to equity gains or losses in respect of an ownership interest if—
 - (a) any member’s adjusted profits have included a loss in respect of that ownership interest as a result of [subsection \(1\)](#), and
 - (b) that loss would otherwise have been excluded from those profits as a result of [section 142\(1\)](#).

Status: Point in time view as at 11/07/2023. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2023, Section 165. (See end of Document for details)

Accordingly, [subsection \(1\)](#) will apply to equity gains and losses in respect of that ownership interest even after the election is revoked.

Status:

Point in time view as at 11/07/2023. This version of this provision has been superseded.

Changes to legislation:

There are currently no known outstanding effects for the Finance (No. 2) Act 2023, Section 165.