



Finance Act 2015

2015 CHAPTER 11

PART 3

DIVERTED PROFITS TAX

Calculation of taxable diverted profits: section 80 or 81 cases

83 Section 80 or 81 cases where no taxable diverted profits arise

- (1) Where section 80 or 81 applies in relation to a company for an accounting period, no taxable diverted profits arise to the company in that period in relation to the material provision in question if—
 - (a) the actual provision condition is met, and
 - (b) either—
 - (i) there are no diverted profits of that company for the accounting period, or
 - (ii) the full transfer pricing adjustment has been made.
- (2) “Diverted profits” of the company for the accounting period means an amount—
 - (a) in respect of which the company is chargeable to corporation tax for that period by reason of the application of Part 4 of TIOPA 2010 (transfer pricing) to the results of the material provision, and
 - (b) which, in a case where section 81 applies, is attributable (in accordance with sections 20 to 32 of CTA 2009) to UKPE.
- (3) “The full transfer pricing adjustment” is made if all of the company’s diverted profits for the accounting period are taken into account in an assessment to corporation tax included, before the end of the review period, in the company’s company tax return for the accounting period.