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ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES
INTERNATIONAL TAX PROBLEMS

Taxation in Capital-Exporting and Capital-Importing Countries of
Foreign Private Investments

United Kingdom Taxation of Private United Kingdom Investments Abroad

CORRIGENDUM

CHAPTER II. PROFITS TAX

The legal provisions set out in this chapter have been modified as follows by the Finance Act, 1958, enacted on 1 August 1958 (Part IV, Sections 25-27):

The different rates for distributed and undistributed profits have been replaced by a single flat rate of 10 per cent on the entire profits of corporations. Previously, the profits tax was levied at the rates of 30 per cent on distributed and 3 per cent on undistributed profits. The new system becomes effective with respect to profits earned after 1 April 1958. Transitional provisions apply to profits earned before, but distributed after that date. There is no change in the computation of profits subject to the profits tax.

As a result of this revision, the profits tax loses its role as a deterrent to the distribution of profits and acquires the character of a general corporation profits tax.
