
Status: Point in time view as at 22/07/2004. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2002, Paragraph 8. (See end of Document for details)

SCHEDULES

SCHEDULE 13

TAX RELIEF FOR EXPENDITURE ON VACCINE RESEARCH ETC

PART 1

ENTITLEMENT TO RELIEF

Treatment of sub-contractor payment where principal and sub-contractor are connected persons

- 8 (1) Where the principal and the sub-contractor are connected persons and in accordance with generally accepted accounting practice—
- (a) the whole of the sub-contractor payment has been brought into account in determining the sub-contractor's profit or loss for a relevant period, and
 - (b) all of the sub-contractor's relevant expenditure has been so brought into account,
- the whole of the payment (up to the amount of the sub-contractor's relevant expenditure) is qualifying expenditure on sub-contracted research and development.
- This is subject to paragraph 7 (conditions that must be satisfied by qualifying expenditure on sub-contracted R&D).
- (2) In sub-paragraph (1)—
- (a) "relevant expenditure" has the meaning given by paragraph 9, and
 - (b) "relevant period" means a period—
 - (i) for which accounts are drawn up by the sub-contractor, and
 - (ii) that ends not more than twelve months after the end of the principal's period of account in which the sub-contractor payment is, in accordance with generally accepted accounting practice, brought into account in determining the principal's profit or loss.
- (3) Any apportionment of expenditure of the principal or the sub-contractor necessary for the purposes of this paragraph shall be made on a just and reasonable basis.

Status:

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Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2002, Paragraph 8.