



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 6

#### VENTURE CAPITAL TRUSTS

### CHAPTER 4

#### QUALIFYING HOLDINGS

#### *Definitions*

#### **300 Meaning of “qualifying trade”**

- (1) For the purposes of this Chapter, a trade is a qualifying trade if—
  - (a) it is conducted on a commercial basis and with a view to the realisation of profits, and
  - (b) it does not consist wholly or as to a substantial part in the carrying on of excluded activities (see sections 303 to 310).
- (2) The carrying on of any activities of research and development from which it is intended—
  - [<sup>F1</sup>(a) that a trade will be derived which will be a qualifying trade, or
  - (b) that a trade will benefit which is or will be a qualifying trade,]is to be treated as the carrying on of a qualifying trade.
- (3) But preparing to carry on such activities does not count as preparing to carry on a qualifying trade.
- (4) References in this section to a trade are to be read without regard to the definition of “trade” in section 989.

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*Status: Point in time view as at 30/11/2017.*

*Changes to legislation: There are currently no known outstanding effects for the Income Tax Act 2007, Section 300. (See end of Document for details)*

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**Textual Amendments**

- F1** S. 300(2)(a)(b) substituted (6.4.2011) (with effect in accordance with Sch. 2 paras. 7(3), 8 of the amending Act) by [Finance \(No. 3\) Act 2010 \(c. 33\)](#), [Sch. 2 para. 2\(11\)](#); [S.I. 2011/662, art. 2](#)

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