



Income Tax Act 2007

2007 CHAPTER 3

[^{F1}PART 12A U.K.]

SALE AND LEASE-BACK ETC]

[^{F1}CHAPTER 3 U.K.]

LEASED TRADING ASSETS

Application of the Chapter

[^{F1}681CB Leased trading assets U.K.]

- (1) Section 681CC has effect if—
 - (a) condition A is met, and
 - (b) condition B or C is met.
- (2) Condition A is that—
 - (a) a payment is made by a person under a lease of a relevant asset, and
 - (b) a deduction is allowed for the payment in calculating the profits of a trade for income tax purposes.
- (3) Condition B is that—
 - (a) at a time before the lease's creation the asset was used for the purposes of the trade, and
 - (b) when it was so used it was owned by the person then carrying on the trade.
- (4) Condition C is that—
 - (a) at a time before the lease's creation the asset was used for the purposes of another trade,
 - (b) when it was so used it was owned by the person then carrying on the other trade, and

Changes to legislation: *There are currently no known outstanding effects for the Income Tax Act 2007, Section 681CB. (See end of Document for details)*

- (c) when it was so used, or later, that person was carrying on the trade mentioned in subsection (2).
- (5) The reference in subsection (2)(a) to a lease does not include a lease created on or before 14 April 1964.
- (6) In this section references to a person carrying on a trade are to the person carrying on the trade for the time being.]

Textual Amendments

- F1** Pt. 12A Ch. 3 inserted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), s. 381(1), **Sch. 4 para. 4** (with [Sch. 9 paras. 1-9, 22](#))

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