



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART II

PROVISIONS RELATING TO THE SCHEDULE A CHARGE AND THE ASSOCIATED SCHEDULE D CHARGES

General

24 Construction of Part II.

- (1) ^{M1}In this Part, except where the context otherwise requires—
 - “lease” includes an agreement for a lease, and any tenancy, but does not include a mortgage or heritable security, and “lessee”, “lessor” and “letting” shall be construed accordingly;
 - “lessee” and “lessor” include respectively the successors in title of a lessee or a lessor;
 - “premises” includes any land; and
 - “premium” includes any like sum, whether payable to the immediate or a superior landlord or to a person connected (within the meaning of section 839) with the immediate or a superior landlord.
- (2) ^{M2}For the purposes of this Part, any sum (other than rent) paid on or in connection with the granting of a tenancy shall be presumed to have been paid by way of premium except in so far as other sufficient consideration for the payment [^{F1}can be] shown to have been given.
- (3) ^{M3}Where paragraph (c) of section 38(1) applies, the premium, or an appropriate part of the premium, payable for or in connection with either lease mentioned in that paragraph may be treated as having been required under the other.
- (4) References in this section to a sum shall be construed as including the value of any consideration, and references to a sum paid or payable or to the payment of a sum shall be construed accordingly.

Status: Point in time view as at 29/04/1996. This version of this provision has been superseded.

Changes to legislation: Income and Corporation Taxes Act 1988, Section 24 is up to date with all changes known to be in force on or before 16 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (5) ^{M4}In the application of this Part to Scotland—
- “assignment” means an assignation;
 - “intermediate landlord” means, where an occupying lessee is a sub-lessee, any person for the time being holding the interest of landlord under a sub-lease which comprises the property of which the occupying lessee is sub-lessee, but does not include the immediate landlord;
 - “premium” includes in particular a grassum payable to any landlord or intermediate landlord on the creation of a sub-lease; and
 - “reversion” means the interest of the landlord in the property subject to the lease.
- (6) ^{M5}In Schedule A and in sections 25 to 31—
- (a) references to a lease extend only to a lease conferring a right, as against the person whose interest is subject to the lease, to the possession of the premises;
 - (b) “rent” includes a payment by the tenant to defray the cost of work of maintenance of, or repairs to, the demised premises, not being work required by the lease to be carried out by the tenant; and
 - (c) “tenant’s repairing lease” means a lease where the tenant is under an obligation to maintain and repair the whole or substantially the whole of the premises comprised in the lease.
- (7) For the purposes of Schedule A and sections 25 to 31, a lease shall be taken to be at a full rent if the rent reserved under the lease (including an appropriate sum in respect of any premium under the lease) is sufficient, taking one year with another, to defray the cost to the lessor of fulfilling his obligations under the lease and of meeting any expenses of maintenance, repairs, insurance and management of the premises subject to the lease which fall to be borne by him.

Textual Amendments

- F1** Words in [s. 24\(2\)](#) substituted (with effect in accordance with [s. 134\(2\)](#) of the amending Act) by [Finance Act 1996 \(c. 8\), s. 134\(1\), Sch. 20 Para. 1](#)

Marginal Citations

- M1** SOURCE-1970 s. 90(1); 1972 s. 81(3)
M2 SOURCE-1970 s. 90(2)
M3 SOURCE-1970 s. 90(2A), (2B); 1972 s. 81(4)
M4 SOURCE-1970 s. 90(3)
M5 SOURCE-1970 s. 71(2)

Status:

Point in time view as at 29/04/1996. This version of this provision has been superseded.

Changes to legislation:

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