



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART IV

PROVISIONS RELATING TO THE SCHEDULE D CHARGE

CHAPTER II

INCOME TAX: BASIS OF ASSESSMENT ETC.

Cases I and II

[^{F1}62A Conditions for such a change.

- (1) This section applies in relation to an accounting change if the following are fulfilled, namely—
 - (a) the first and second conditions mentioned below, and
 - (b) either the third or the fourth condition so mentioned.
- (2) The first condition is that the first accounting period ending with the new date does not exceed 18 months.
- (3) The second condition is
 - [^{F2}(a) in the case of a trade, profession or vocation carried on by an individual, that notice of the accounting change is given to an officer of the Board in a return under section 8 of the Management Act on or before the day on which that return is required to be made and delivered under that section;
 - (b) in the case of a trade, profession or vocation carried on by persons in partnership, that notice of the accounting change is given to an officer of the Board in a return under section 12AA of that Act on or before the day specified in relation to that return under subsection (2) or (3) of that section.]

Status: Point in time view as at 31/07/1998. This version of this provision has been superseded.

Changes to legislation: Income and Corporation Taxes Act 1988, Section 62A is up to date with all changes known to be in force on or before 03 August 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)

- (4) The third condition is that no accounting change as respects which section 62(2) has applied has been made or treated as made in any of the five years immediately preceding the year of assessment.
- (5) The fourth condition is that—
- (a) the notice required by the second condition sets out the reasons for which the change is made; and
 - (b) either the officer is satisfied that the change is made for bona fide commercial reasons or he does not, within 60 days of receiving the notice, give notice to the person carrying on the trade, profession or vocation that he is not so satisfied.
- (6) An appeal may be brought against the giving of a notice under subsection (5)(b) above within the period of 30 days beginning with the date on which the notice is given.
- (7) Subject to subsection (8) below, the provisions of the Management Act relating to appeals shall have effect in relation to an appeal under subsection (6) above as they have effect in relation to an appeal against an assessment to tax.
- (8) On an appeal under subsection (6) above section 50(6) to (8) of the Management Act shall not apply but the Commissioners may—
- (a) if they are satisfied that the change is made for bona fide commercial reasons, set the notice under subsection (5)(b) above aside; or
 - (b) if they are not so satisfied, confirm that notice.
- (9) Obtaining a tax advantage shall not be regarded as a bona fide commercial reason for the purposes of subsections (5) and (8) above.
- (10) In this section—
- (a) “accounting period” means a period for which accounts are made up, and
 - (b) expressions which are also used in section 62 have the same meanings as in that section.]

Textual Amendments

- F1** S. 62A inserted (with effect in accordance with s. 218 of the amending Act) by [Finance Act 1994 \(c. 9\)](#), s. 203 (with [Sch. 20](#))
- F2** Words in. s. 62A(3) substituted (with effect in accordance with s. 135(2) of the amending Act) by [Finance Act 1996 \(c. 8\)](#), s. 135(1), [Sch. 21 para. 1](#)

Modifications etc. (not altering text)

- C1** Ss. 61-63A excluded (1.12.1997 with effect in accordance with reg. 1 of the excluding S.I.) by [The Lloyd's Underwriters \(Scottish Limited Partnerships\) \(Tax\) Regulations 1997 \(S.I. 1997/2681\)](#), [reg. 6\(1\)\(a\)](#)

Status:

Point in time view as at 31/07/1998. This version of this provision has been superseded.

Changes to legislation:

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