

*Status: Point in time view as at 30/07/2009.*

*Changes to legislation: Finance Act 1994, SCHEDULE 20 is up to date with all changes known to be in force on or before 06 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)*

## SCHEDULES

### SCHEDULE 20

Section 218.

#### CHANGES FOR FACILITATING SELF-ASSESSMENT: TRANSITIONAL PROVISIONS AND SAVINGS

##### *Assessment under Cases I and II of Schedule D*

F11 .....

##### **Textual Amendments**

**F1** Sch. 20 paras. 1-10 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\)](#), [Sch. 1 para. 472\(2\)](#), [Sch. 3](#) (with [Sch. 2](#))

F12 .....

##### **Textual Amendments**

**F1** Sch. 20 paras. 1-10 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\)](#), [Sch. 1 para. 472\(2\)](#), [Sch. 3](#) (with [Sch. 2](#))

F13 .....

##### **Textual Amendments**

**F1** Sch. 20 paras. 1-10 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\)](#), [Sch. 1 para. 472\(2\)](#), [Sch. 3](#) (with [Sch. 2](#))

##### *Assessment under Case III of Schedule D*

F14 .....

##### **Textual Amendments**

**F1** Sch. 20 paras. 1-10 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\)](#), [Sch. 1 para. 472\(2\)](#), [Sch. 3](#) (with [Sch. 2](#))

F15 .....

##### **Textual Amendments**

**F1** Sch. 20 paras. 1-10 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\)](#), [Sch. 1 para. 472\(2\)](#), [Sch. 3](#) (with [Sch. 2](#))

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*Assessment under Cases IV and V of Schedule D*

F16 .....

**Textual Amendments**  
F1 Sch. 20 paras. 1-10 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 472\(2\), Sch. 3](#) (with Sch. 2)

F17 .....

**Textual Amendments**  
F1 Sch. 20 paras. 1-10 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 472\(2\), Sch. 3](#) (with Sch. 2)

*Loss relief*

F18 .....

**Textual Amendments**  
F1 Sch. 20 paras. 1-10 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 472\(2\), Sch. 3](#) (with Sch. 2)

*Capital allowances*

F19 .....

**Textual Amendments**  
F1 Sch. 20 paras. 1-10 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 472\(2\), Sch. 3](#) (with Sch. 2)

*Double taxation relief*

F110 .....

**Textual Amendments**  
F1 Sch. 20 paras. 1-10 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 472\(2\), Sch. 3](#) (with Sch. 2)

- 11 (1) <sup>F2</sup>... this paragraph applies in the case of—
- (a) a trade, profession or vocation set up and commenced before 6th April 1994 and continuing after 5th April 1998; or
  - (b) income from a source arising before the former date and continuing after the latter date.

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- (2) Sub-paragraph (3) below applies where—
- (a) credit against income tax for the year 1995-96 or any earlier year of assessment is or has been allowed by virtue of subsection (1) of section 804 of the Taxes Act 1988 in respect of any income (“the original income”), and
  - (b) the source of that income ceases in a subsequent year of assessment (“the subsequent year”).
- (3) The following shall be set off one against the other, namely—
- (a) the amount of the credit which, under Part XVIII of the Taxes Act 1988 (including section 804), has been allowed against income tax in respect of the original income, and
  - (b) the aggregate of—
    - (i) the amount of the credit which, apart from that section, would have been so allowed, and
    - (ii) the difference between the amount of the credit which, on the assumptions mentioned in sub-paragraph (4) below, would have been allowable under Part XVIII of that Act for the year 1996-97 and the amount of credit which has been so allowed;
- and if the amount given by paragraph (a) exceeds that given by paragraph (b) above, the person chargeable in respect of income (if any) arising in the subsequent year from the same source as the original income shall [<sup>F3</sup>be chargeable for that year to an amount of income tax equal to the excess] . [<sup>F4</sup>, and the person shall be liable for any tax so chargeable]
- (4) The assumptions are—
- (a) that the words “the appropriate percentage of” were omitted from paragraph 2(2) above;
  - (b) that the words “50 per cent. of” were omitted from paragraphs (a), (b) and (c) of paragraph 6(2) above; and
  - (c) that paragraph 10 above had not been enacted.
- (5) Where the period on the income of which income tax is chargeable for the year 1996-97 is that year, sub-paragraph (3) above shall have effect as if for paragraph (b) there were substituted the following paragraph—
- “(b) the amount of the credit which, apart from that section, would have been so allowed;”.
- (6) Any reference in sub-paragraph (2) or (3) above to section 804 or Part XVIII of the Taxes Act 1988 includes a reference to the corresponding provisions of any earlier enactments.

<sup>F5</sup>(7) .....

#### Textual Amendments

- F2** Words in Sch. 20 para. 11(1) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 472\(3\)\(a\), Sch. 3](#) (with [Sch. 2](#))
- F3** Words in Sch. 20 para. 11(3) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\), s. 1034\(1\), Sch. 1 para. 363\(2\)](#) (with [Sch. 2](#))
- F4** Words in Sch. 20 para. 11(3) inserted (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 472\(3\)\(c\)](#) (with [Sch. 2](#))

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**F5** Sch. 20 para. 11(7) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 363\(3\)](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**F6**<sup>12</sup> .....

**Textual Amendments**

**F6** Sch. 20 para. 12 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 1 para. 472\(4\)](#), [Sch. 3](#) (with [Sch. 2](#))

**F7**<sup>13</sup> .....

**Textual Amendments**

**F7** Sch. 20 para. 13 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 1 para. 472\(4\)](#), [Sch. 3](#) (with [Sch. 2](#))

*Supplemental*

14 (1) In this Schedule—

- (a) any reference to a source of income arising before any date (“the earlier date”) and continuing after or ceasing before some other date (“the later date”) is a reference to a source of income arising to any person before the earlier date and continuing to be possessed by that person after, or (as the case may be) ceasing to be possessed by that person before, the later date; and
- (b) any reference to a source of income includes a reference to a part of such a source.

(2) Where, as respects income from any source, income tax is to be charged under Case IV or V of Schedule D by reference to the amounts of income received in the United Kingdom, the source shall be treated for the purposes of this Schedule as arising on the date on which the first amount of income is so received.

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