

SCHEDULES

SCHEDULE 5

RENT AND OTHER RECEIPTS FROM LAND

PART I

MAIN CHARGING PROVISIONS

- 15 (1) Section 34 of the Taxes Act 1988 (treatment of premiums, etc. as rent or Schedule D profits) is amended as follows.
- (2) For the sidenote substitute “Treatment of premiums, etc. as rent.”.
- (3) In subsection (3) for the words from “from the rent” onwards substitute “as an expense of any Schedule A business carried on by the landlord”.
- (4) In subsection (6) for the words from “no charge” onwards substitute “no amount shall fall under that subsection to be treated as a receipt of any Schedule A business carried on by the landlord; but that other person shall be taken to have received as income an amount equal to the amount which would otherwise fall to be treated as rent and to be chargeable to tax as if he had received it in consequence of having, on his own account, entered into a transaction falling to be treated as mentioned in paragraph 1(2) of Schedule A.”.
- (5) After subsection (7) insert—
- “(7A) An amount treated under this section as rent shall be taken into account in computing the profits of the Schedule A business in question for the chargeable period in which it is treated as received.”.
- (6) In subsection (8) for the words from “may, if that person satisfies the Board” to “at his option” substitute “may, at his option, be paid”.