

SCHEDULES

SCHEDULE 20

TAX RELIEF FOR EXPENDITURE ON RESEARCH AND DEVELOPMENT

PART III

SUPPLEMENTARY PROVISIONS

Interpretation

- 25 (1) In this Schedule—
- “the Inland Revenue” means any officer of the Board;
 - “national insurance contributions” means contributions under Part I of the Social Security Contributions and Benefits Act 1992 or Part I of the Social Security Contributions and Benefits (Northern Ireland) Act 1992;
 - “normal accounting practice” means normal accounting practice in relation to the accounts of companies incorporated in any part of the United Kingdom;
 - “PAYE regulations” means regulations under section 203 of the Taxes Act 1988;
 - “payment period” has the meaning given in paragraph 17(2);
 - “research and development” has the meaning given by section 837A of the Taxes Act 1988; and
 - “surrenderable loss” has the meaning given in paragraph 15(2).
- (2) Section 839 of the Taxes Act 1988 (connected persons) applies for the purposes of this Schedule.
- (3) For the purposes of this Schedule a company not within the charge to corporation tax which incurs qualifying R&D expenditure is treated as having such accounting periods as it would have if—
- (a) it carried on a trade consisting of the activities in respect of which the expenditure is incurred, and
 - (b) it had started to carry on that trade when it started to carry on relevant research and development.