



Electricity (Miscellaneous Provisions) Act 2003

2003 CHAPTER 9

4 Undertakings to make grants under Schedule 12 to be disregarded for tax purposes

- (1) Where—
- (a) the Secretary of State undertakes to make a grant under paragraph 1(1) of Schedule 12 to the Electricity Act 1989 (c. 29) in respect of qualifying expenditure incurred or to be incurred by any company, and
 - (b) in accordance with generally accepted accounting practice the company—
 - (i) recognises the value of the undertaking in its balance sheet, and
 - (ii) recognises a corresponding credit in its profit and loss account,no amount shall be brought into account in respect of that credit in computing the profits of the company for tax purposes.
- (2) This does not affect the amount (if any) to be brought into account in computing the profits of the company for tax purposes as a result of any subsequent adjustment of—
- (a) the amount or estimated amount of the qualifying expenditure to which the undertaking relates, or
 - (b) the value of the undertaking.
- (3) This section does not apply if the undertaking is given after 31st March 2008 or such later date, not later than 31st March 2011, as may be specified by the Treasury by order made by statutory instrument.

No such order shall be made unless a draft of it has been laid before and approved by a resolution of the House of Commons.

- (4) In this section—
- “qualifying expenditure” has the same meaning as in Schedule 12 to the Electricity Act 1989; and
 - “for tax purposes” means for the purposes of corporation tax.

Changes to legislation:

There are currently no known outstanding effects for the Electricity (Miscellaneous Provisions) Act 2003, Section 4.