



Income Tax (Trading and Other Income) Act 2005

2005 CHAPTER 5

PART 7

INCOME CHARGED UNDER THIS ACT: RENT-A-ROOM AND [F¹QUALIFYING CARE] RELIEF

CHAPTER 1

RENT-A-ROOM RELIEF

Basic definitions

786 Meaning of “rent-a-room receipts”

- (1) For the purposes of this Chapter an individual has rent-a-room receipts for a tax year if—
 - (a) the receipts are in respect of the use of furnished accommodation in a residence in the United Kingdom or in respect of goods or services supplied in connection with that use,
 - (b) they accrue to the individual during the income period for those receipts (see subsections (3) and (4)),
 - (c) for some or all of that period the residence is the individual's only or main residence, and
 - (d) the receipts would otherwise be brought into account in calculating the profits of a trade or UK property business or chargeable to income tax under Chapter 8 of Part 5 (income not otherwise charged).
- (2) Meals, cleaning and laundry are examples of goods or services supplied in connection with the use of furnished accommodation in a residence.

Status: Point in time view as at 01/04/2011.

Changes to legislation: There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Cross Heading: Basic definitions. (See end of Document for details)

- (3) If the receipts would otherwise be brought into account in calculating the profits of a trade, the income period is the basis period for the tax year (see Chapter 15 of Part 2).
- (4) Otherwise the income period is the period which—
 - (a) begins at the beginning of the tax year or, if later, the beginning of the letting in respect of which the receipts arise, and
 - (b) ends at the end of the tax year or, if earlier, the end of that letting.

787 Meaning of “residence”

- (1) In this Chapter “residence” means—
 - (a) a building, or part of a building, occupied or intended to be occupied as a separate residence, or
 - (b) a caravan or houseboat.
- (2) If a building, or part of a building, designed for permanent use as a single residence is temporarily divided into two or more separate residences, it is still treated as a single residence.

788 Meaning of “total rent-a-room amount”

- (1) For the purposes of this Chapter an individual's “total rent-a-room amount” for a tax year is the total of—
 - (a) the individual's rent-a-room receipts for the tax year, and
 - (b) any relevant balancing charges for the tax year (see section 802).
- (2) In calculating the total rent-a-room amount, no deduction is allowed for expenses or any other matter.

Status:

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