
Status: Point in time view as at 06/04/2005.

Changes to legislation: There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Paragraph 578. (See end of Document for details)

SCHEDULES

SCHEDULE 1

CONSEQUENTIAL AMENDMENTS

PART 2

OTHER ENACTMENTS

Finance Act 2002 (c. 23)

- 578 (1) Amend Schedule 22 (computation of profits: adjustment of change of basis) as follows.
- (2) In paragraph 2, in item 4 of the first step for “tax purposes” substitute “ corporation tax purposes ”.
- (3) In paragraph 3(2) for “, profession” to the end substitute “ is not regarded as the same if section 337(1) of the Taxes Act 1988 applies (companies beginning or ceasing to carry on trade). ”
- (4) For paragraph 4 substitute—
- “4 If the amount of the adjustment is positive, it is chargeable to corporation tax and is treated as receipt of the trade, profession or vocation arising on the last day of the first period of account for which the new basis is adopted.”
- (5) In paragraph 9—
- (a) in sub-paragraph (1) for “person who is chargeable to tax” substitute “ company which is chargeable to corporation tax ”,
- (b) in sub-paragraph (2)(c) for “the time allowed” substitute “ twelve months of the end of the first accounting period to which the new basis applies ”,
- (c) omit sub-paragraph (3),
- (d) in sub-paragraph (4) for “tax” substitute “ corporation tax ”, and
- (e) in sub-paragraph (5) for “tax”, in each place where it occurs, substitute “ corporation tax ”.
- (6) Omit paragraphs 11 and 12.
- (7) In paragraph 13—
- (a) in sub-paragraph (1) for “computed” to the end substitute “ computed as if the partnership were a company resident in the United Kingdom ”, and
- (b) omit sub-paragraphs (3), (4) and (6).
- (8) Omit paragraph 14.
- (9) For paragraph 15 substitute—

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“15 In this Schedule “adjustment charge” means a charge under Part 2 of this Schedule.”

(10) In paragraph 17—

- (a) in sub-paragraph (2) omit paragraph (a), and
- (b) in sub-paragraph (3) omit “9ZA or” and “personal, trustee or”.

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