



Income Tax (Trading and Other Income) Act 2005

2005 CHAPTER 5

PART 3

PROPERTY INCOME

CHAPTER 6

COMMERCIAL LETTING OF FURNISHED HOLIDAY ACCOMMODATION

Separate profit calculations

327 Capital allowances and loss relief

- (1) If a UK property business consists of both—
 - (a) the commercial letting of furnished holiday accommodation (“the furnished holiday lettings part”), and
 - (b) other businesses or transactions (“the other part”),this section requires separate calculations to be made of the profits of the furnished holiday lettings part and the other part.
- (2) The calculations must be made if—
 - (a) section 248 or 249 of CAA 2001 (giving effect to allowances and charges) applies to the furnished holiday lettings part or the other part, or
 - (b) any provision of Chapter 1 of Part 10 of ICTA (loss relief) applies in relation to a loss made in either of those parts.
- (3) If there is a letting of accommodation only part of which is holiday accommodation, such apportionments are to be made for the purposes of this section as are just and reasonable.