



Income Tax (Trading and Other Income) Act 2005

2005 CHAPTER 5

PART 2

TRADING INCOME

CHAPTER 2

INCOME TAXED AS TRADE PROFITS

Charge to tax on trade profits

7 Income charged

(1) Tax is charged under this Chapter on the full amount of the profits of the tax year [^{F1}(including amounts treated as profits of the tax year under section 23E(1))].

^{F2}(2)

^{F3}(3)

(4) This section is subject to Part 8 (foreign income: special rules).

(5) And, for the purposes of section 830 (meaning of “relevant foreign income”), the profits of a trade, profession or vocation arise from a source outside the United Kingdom only if the trade, profession or vocation is carried on wholly outside the United Kingdom.

Textual Amendments

F1 Words in s. 7(1) inserted (6.4.2024 for the tax year 2024-25 and subsequent tax years) by [Finance Act 2022 \(c. 3\)](#), [Sch. 1 paras. 2\(2\)](#), 61(1)

Changes to legislation: There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Section 7. (See end of Document for details)

- F2** S. 7(2) omitted (6.4.2024 for the tax year 2024-25 and subsequent tax years) by virtue of [Finance Act 2022 \(c. 3\)](#), [Sch. 1 paras. 2\(3\)](#), 61(1)
- F3** S. 7(3) omitted (6.4.2024 for the tax year 2024-25 and subsequent tax years) by virtue of [Finance Act 2022 \(c. 3\)](#), [Sch. 1 paras. 2\(3\)](#), 61(1)

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There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Section 7.