



# Income Tax (Trading and Other Income) Act 2005

## 2005 CHAPTER 5

### PART 2

#### TRADING INCOME

### CHAPTER 5

#### TRADE PROFITS: RULES ALLOWING DEDUCTIONS

#### *[<sup>F1</sup>SAYE option schemes, CSOP schemes*

#### **[<sup>F1</sup>94A Costs of setting up SAYE option scheme or CSOP scheme**

- (1) This section applies if—
  - (a) a company incurs expenses in setting up a scheme within subsection (2) that is approved by an officer of Revenue and Customs, and
  - (b) no employee or director acquires rights under the scheme before it is approved.
- (2) The schemes within this subsection are—
  - (a) SAYE option schemes within the meaning of the SAYE code (see section 516(4) of ITEPA 2003), and
  - (b) CSOP schemes within the meaning of the CSOP code (see section 521(4) of ITEPA 2003).

The references in subsection (1) to a scheme being approved are to it being approved under Schedule 3 or 4 to ITEPA 2003 (as the case may be).

- (3) A deduction for the expenses is to be made in calculating the profits of a trade carried on by the company.

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*Status: Point in time view as at 17/07/2013. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Section 94A. (See end of Document for details)*

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(4) If the approval is given more than 9 months after the end of the period of account in which the expenses are incurred, for the purposes of subsection (3) the deduction is to be made for the period of account in which the approval is given.

[ But subsection (4) does not apply in calculating the profits of a trade on the cash<sup>F2</sup>(5) basis.]]

#### Textual Amendments

- F1** S. 94A and cross-heading inserted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 7 para. 28](#) (with [Sch. 9 paras. 1-9, 22](#))
- F2** S. 94A(5) inserted (with effect in accordance with [Sch. 4 paras. 56, 57](#) of the amending Act) by [Finance Act 2013 \(c. 29\), Sch. 4 para. 17](#)

**Status:**

Point in time view as at 17/07/2013. This version of this provision has been superseded.

**Changes to legislation:**

There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Section 94A.