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*Status: Point in time view as at 07/04/2005.*

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2005, Cross Heading: FA 1997. (See end of Document for details)*

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## SCHEDULES

### SCHEDULE 4

#### ACCOUNTING PRACTICE AND RELATED MATTERS

##### PART 1

##### BAD DEBTS AND RELATED MATTERS

###### *FA 1997*

- 18 (1) Schedule 12 to FA 1997 (leasing arrangements: finance leases and loans) is amended as follows.
- (2) In paragraph 9(7) (relief for bad debts etc: cumulative accountancy rental excess), for the definition of “bad debt deduction” substitute—
- ““bad debt deduction”, in relation to a period of account, means the aggregate of any deductions falling to be made for accounting purposes for that period by way of impairment loss in respect of rents from the lease of the asset;”.
- (3) In paragraph 10(7) (relief for bad debts etc: cumulative normal rental excess), for the definition of “bad debt deduction” substitute—
- ““bad debt deduction”, in relation to a period of account, means the aggregate of any deductions falling to be made for accounting purposes for that period by way of impairment loss in respect of rents from the lease of the asset;”.

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