



Income Tax Act 2007

2007 CHAPTER 3

[^{F1}PART 12A

SALE AND LEASE-BACK ETC]

[^{F1}CHAPTER 4

LEASED ASSETS: CAPITAL SUMS

[^{F1}Interpretation

Textual Amendments

- F1** Pt. 12A Ch. 4 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. 4 para. 5](#) (with Sch. 9 paras. 1-9, 22)

681DL Associates

- (1) This section applies for the purposes of this Chapter.
- (2) Persons are associates if they are associated with each other.
- (3) The following are associated with each other—
 - (a) an individual and the individual's spouse or civil partner or relative,
 - (b) an individual and a spouse or civil partner of a relative of the individual,
 - (c) an individual and a relative of the individual's spouse or civil partner,
 - (d) an individual and a spouse or civil partner of a relative of the individual's spouse or civil partner.
- (4) The following are associated with each other—

Status: Point in time view as at 17/07/2012.

Changes to legislation: There are currently no known outstanding effects for the Income Tax Act 2007, Cross Heading: Interpretation. (See end of Document for details)

- (a) a person as trustee of a settlement and an individual who (in relation to the settlement) is a settlor,
 - (b) a person as trustee of a settlement and a person associated with an individual who (in relation to the settlement) is a settlor.
- (5) The following are associated with each other—
- (a) a person and a body of persons of which the person has control,
 - (b) a person and a body of persons of which persons associated with the person have control,
 - (c) a person and a body of persons of which the person and persons associated with the person have control,
 - (d) two or more bodies of persons associated with the same person under paragraphs (a) to (c).
- (6) In relation to a disposal by joint owners, the joint owners and any person associated with any of them are associated with each other.
- (7) For the purposes of this section—
- (a) a relative is a brother, sister, ancestor or lineal descendant,
 - (b) a body of persons includes a partnership, and
 - (c) “settlement” and “settlor” have the meanings given by section 620 of ITTOIA 2005.

681DM Capital sum

For the purposes of this Chapter a capital sum is any sum of money, or any money's worth, except so far as it or any part of it—

- (a) is to be treated for income tax purposes as a receipt to be taken into account in calculating the profits or losses of a trade, profession or vocation, or
- (b) is (apart from this Chapter) chargeable to income tax under or by virtue of any provision to which section 1016 applies.

681DN Lease

- (1) This section applies for the purposes of this Chapter.
- (2) A lease is (in relation to an asset) an agreement or arrangement under which payments are made for the use of or otherwise in respect of the asset.
- (3) In particular it includes an agreement or arrangement under which the payments (or any of them) represent instalments of a purchase price or payments towards it.

681DO Relevant asset

For the purposes of this Chapter a relevant asset is any description of property or rights other than land or an interest in land.

681DP Relevant tax relief

For the purposes of this Chapter each of the following is a deduction by way of relevant tax relief—

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- (a) a deduction in calculating profits or losses of a trade for corporation tax purposes,
- (b) a deduction in calculating any loss for which relief is given under section 91 of CTA 2010 (losses from miscellaneous transactions), or in calculating profits or gains chargeable to corporation tax under or by virtue of any provision to which section 1173 of CTA 2010 applies (miscellaneous charges),
- [^{F2}(c) a deduction of an amount which for the purposes of section 73 of FA 2012 is adjusted BLAGAB management expenses of an insurance company for an accounting period,]
- (d) a deduction under section 1219 of CTA 2009 (expenses of management of a company's investment business),
- (e) a deduction in calculating profits or losses of a trade, profession or vocation for income tax purposes,
- (f) a deduction in calculating any loss for which relief is allowed under section 152 (losses from miscellaneous transactions), or in calculating profits or other income or gains chargeable to income tax under or by virtue of any provision to which section 1016 applies, and
- (g) a deduction from earnings allowed under section 336 of ITEPA 2003 (expenses) or allowed in calculating losses in an employment for income tax purposes.]

Textual Amendments

F2 S. 681DP(c) substituted (17.7.2012) by [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 134](#)

Status:

Point in time view as at 17/07/2012.

Changes to legislation:

There are currently no known outstanding effects for the Income Tax Act 2007, Cross Heading: Interpretation.