



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 13 U.K.

#### TAX AVOIDANCE

### CHAPTER 5 U.K.

#### AVOIDANCE INVOLVING TRADING LOSSES

##### *Individuals in partnership claiming relief for licence-related trading losses*

#### 809 Other definitions U.K.

- (1) References in sections 805 and 806 to an individual carrying on a trade as a non-active partner in an early tax year are to be read as if those sections were contained in Chapter 3 of Part 4 (see, in particular, section [F<sup>1</sup>103B]).
- (2) But for that purpose, section [F<sup>2</sup>103B(1)(b)] (which contains a requirement that the individual does not carry on the trade as a limited partner at any time during the tax year) is treated as if it were omitted.
- (3) For the purposes of sections 805 to 808 an agreement is related to a licence if the agreement and licence are entered into under the same arrangement (regardless of when the agreement or licence is entered into).
- (4) For the purposes of sections 805 to 808 an agreement, or part of an agreement, is not prevented from being a licence merely because it imposes an obligation to do a thing (rather than merely gives authority to do it).

References to exploiting a licence are to be read in that light.

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***Changes to legislation:*** *There are currently no known outstanding effects for the Income Tax Act 2007, Section 809. (See end of Document for details)*

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**Textual Amendments**

- F1** Word in s. 809(1) substituted (retrospective to 6.4.2007) by [Finance Act 2007 \(c. 11\)](#), [Sch. 4 paras. 18\(a\)](#), 21
- F2** Word in s. 809(2) substituted (retrospective to 6.4.2007) by [Finance Act 2007 \(c. 11\)](#), [Sch. 4 paras. 18\(b\)](#), 21

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