



Income Tax Act 2007

2007 CHAPTER 3

PART 4

LOSS RELIEF

CHAPTER 2

TRADE LOSSES

Post-cessation trade relief

99 Reduction of relief for unpaid trade expenses

- (1) This section applies for the purposes of post-cessation trade relief in respect of a person's trade if a deduction was made in calculating the profits of the trade for an expense not actually paid (an "unpaid expense").
- (2) The amount of the person's relief for a tax year is reduced (but not below nil) by—
 - (a) the total amount of unpaid expenses at the end of the tax year, or
 - (b) if the person carried on the trade as a partner in a firm, the person's share of the total amount of unpaid expenses at the end of the tax year.
- (3) But any unpaid expense which is taken into account in reducing the amount of the person's relief for a tax year is left out of account in making reductions for subsequent tax years.
- (4) If the person actually pays an amount in respect of an unpaid expense taken into account in reducing the amount of the person's relief, the person is treated as making a qualifying payment for the purposes of section 96.
- (5) The amount of the qualifying payment is—
 - (a) the amount actually paid, or
 - (b) if less, the amount of the reduction.

Status: Point in time view as at 19/12/2012.

Changes to legislation: There are currently no known outstanding effects for the Income Tax Act 2007, Section 99. (See end of Document for details)

(6) This section applies to professions and vocations as it applies to trades.

Status:

Point in time view as at 19/12/2012.

Changes to legislation:

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