
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2020, Paragraph 6. (See end of Document for details)

SCHEDULES

SCHEDULE 16

TAXATION OF CORONAVIRUS SUPPORT PAYMENTS

Charge where no business carried on

- 6 (1) Tax is charged on an amount of a coronavirus support payment, other than a payment made under an employment-related scheme or the self-employment income support scheme, if—
- (a) the amount is neither brought into account under paragraph 1(2) in calculating the profits of a business nor treated as a post-cessation receipt by virtue of paragraph 2(3) or (4), and
 - (b) at the time the coronavirus support payment was received, the recipient did not carry on a business whose profits are charged to tax and to which the payment could be referable.
- (2) In this paragraph “tax” means—
- (a) corporation tax, in the case of a company that (apart from this paragraph) is chargeable to corporation tax, or to any amount chargeable as if it was corporation tax, or
 - (b) income tax, in any other case.
- (3) Tax is charged under sub-paragraph (1) on the whole of the amount to which that sub-paragraph applies.
- (4) The person liable for tax charged under sub-paragraph (1) is the recipient of that amount.
- (5) Where income tax is charged under sub-paragraph (1), sections 527 and 528 of ITA 2007 (exemption and income condition for charitable trusts) have effect as if sub-paragraph (1) were a provision to which section 1016 of that Act applies.
- (6) Where corporation tax is charged under sub-paragraph (1), sections 481 and 482 of CTA 2010 (exemption and income condition for charitable companies) have effect as if sub-paragraph (1) were a provision to which section 1173 of that Act applies.

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