



Finance Act 2022

2022 CHAPTER 3

PART 2

RESIDENTIAL PROPERTY DEVELOPER TAX

Key concepts

38 Meaning of “residential property developer profits or losses”

An RP developer’s residential property developer profits or losses (“RPD profits” or “RPD losses”) for an accounting period are calculated as follows (with a positive figure being RPD profits and a negative figure being RPD losses)—

$$A + B - C - D - E$$

where—

“A” is the amount of the RP developer’s adjusted trading profits, or as the case may be, adjusted trading losses (expressed as a negative figure) for the accounting period (see section 39);

“B” is the amount of any joint venture profits, or as the case may be, losses (expressed as a negative figure) that are attributable to the RP developer for the accounting period (see section 40);

“C” is the amount of allowable RPDT loss relief which the RP developer is given for the accounting period (see Part 1 of Schedule 7);

“D” is the amount of allowable RPDT group relief claimed by the RP developer for the accounting period (see Part 2 of Schedule 7);

“E” is the amount of allowable RPDT group relief for carried-forward losses claimed by the RP developer for the accounting period (see Part 3 of Schedule 7).

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2022, Section 38.