

## SCHEDULES.

### FOURTH SCHEDULE

#### INCOME TAX RELIEFS IN CONNECTION WITH REDUNDANCY SCHEMES.

##### PART II

###### RELIEF IN RESPECT OF CERTAIN PAYMENTS.

- 6 (1) For the purposes of this Schedule, damage shall be deemed to be damage in respect of which relief may be given under the Income Tax Acts if and only if—
- (a) the damage is attributable to any of the following events, that is to say, the demolition, destruction or putting out of use of any asset, or the disposition or termination of an interest in any asset, and, by reason of that event, an allowance falls to be made under Part I or Part II of the Income Tax Act, 1945, in charging the profits or gains of the trade ; or
  - (b) the damage consists of any loss, liability, expense or other burden in respect of which an allowance may be made in computing the profits or gains of the trade for the purposes of the Income Tax Acts :

Provided that where an allowance under Part I of the Income Tax Act, 1945, in respect of any damage falls to be reduced by the fraction specified in subsection (4) of section three of that Act, the same fraction, and the same fraction only, of the amount of the damage shall be treated as being referable to damage in respect of which relief may be given under the Income Tax Acts.

- (2) Where any event occurs which would give rise to an allowance under the Income Tax Acts in respect of any asset in charging or computing the profits or gains of a trade but for any of the following matters, that is to say—
- (a) that there are no profits or gains against which the allowance could be made ; or
  - (b) that account is required to be taken of allowances previously made or deemed to have been made in respect of the asset; or
  - (c) that account is required to be taken of any sum which falls to be written off the expenditure incurred on the asset for the purpose of determining whether any and if so what allowance may be given by reason of the event; or
  - (d) that account is required to be taken of any sum falling to be taken into account as sale, insurance, salvage or compensation moneys,
- the like consequences shall ensue under this Schedule as if an allowance had fallen to be made by reason of that event.
- (3) Where any damage is attributable to a permanent change in the purposes for which an asset is used, or the temporary or permanent putting out of use of an asset, the question whether the damage is damage in respect of which relief may be given under the Income Tax Acts shall be determined as if the damage had been attributable to a sale of the asset on the date upon which the change or putting out of use took place.