
STATUTORY INSTRUMENTS

2009 No. 730

The Enactment of Extra-Statutory Concessions Order 2009

The Income Tax (Trading and Other Income) Act 2005

Subsistence expenses

3.—(1) In the Income Tax (Trading and Other Income) Act 2005(1), after section 57 insert—

“Subsistence expenses

57A Expenses incurred by traders on food and drink

(1) In calculating the profits of a trade, a deduction is allowed for any reasonable expenses incurred on food or drink for consumption by the trader at a place to which the trader travels in the course of carrying on the trade, or while travelling to a place in the course of carrying on the trade, if conditions A and B are met.

(2) Condition A is met if—

- (a) a deduction is allowed for the expenses incurred by the trader in travelling to the place, or
- (b) where the expenses of travelling to the place are not incurred by the trader, a deduction would be allowed for them if they were.

(3) Condition B is met if—

- (a) at the time the expenses are incurred on the food or drink, the trade is by its nature itinerant, or
- (b) the trader does not travel to the place more than occasionally in the course of carrying on the trade and either—
 - (i) the travel in connection with which the expenses are incurred on the food or drink is undertaken otherwise than as part of the trader’s normal pattern of travel in the course of carrying on the trade, or
 - (ii) the trader does not have such a normal pattern of travel.”.

(2) The amendment made by this article has effect for the tax year 2009-10 and subsequent tax years.