



# Finance Act 1990

## 1990 CHAPTER 29

### PART II

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER I

#### GENERAL

##### *Corporation tax rates*

#### **19 Charge and rate of corporation tax for 1990**

Corporation tax shall be charged for the financial year 1990 at the rate of 35 per cent.

#### **20 Small companies**

- (1) For the financial year 1990—
  - (a) the small companies' rate shall be 25 per cent., and
  - (b) the fraction mentioned in section 13(2) of the Taxes Act 1988 (marginal relief for small companies) shall be one-fortieth.
- (2) In section 13(3) of that Act (limits of marginal relief), in paragraphs (a) and (b)—
  - (a) for “£150,000” there shall be substituted “£200,000”, and
  - (b) for “£750,000” there shall be substituted “£1,000,000”.
- (3) Subsection (2) above shall have effect for the financial year 1990 and subsequent financial years; and where by virtue of that subsection section 13 of the Taxes Act 1988 has effect with different relevant maximum amounts in relation to different parts of a company's accounting period, then for the purposes of that section those parts shall be treated as if they were separate accounting periods and the profits and basic profits of the company for that period shall be apportioned between those parts.