

Changes to legislation: There are currently no known outstanding effects
for the Finance Act 1995, Part II. (See end of Document for details)

SCHEDULES

SCHEDULE 22

PREVENTION OF EXPLOITATION OF ^{F1}SCHEDULE 2 TO ITTOIA 2005 (SO FAR AS RELATING TO OVERLAP PROFIT)]

Textual Amendments

- F1** Words in Sch. 22 heading substituted (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005](#) (c. 5), s. 883(1), [Sch. 1 para. 484\(12\)](#) (with Sch. 2)

PART II

CASES III, IV AND V OF SCHEDULE D

Increase of trade etc. profits or gains arising in 1995-96 and 1996-97

^{F16}

Textual Amendments

- F1** Sch. 22 para. 6 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005](#) (c. 5), s. 883(1), [Sch. 1 para. 484\(6\)](#), [Sch. 3](#) (with Sch. 2)

Increase of trade etc. profits or gains arising in transitional overlap period

- 7 (1) This paragraph applies where, in the case of any income derived by any person from the carrying on by him of a trade, profession or vocation—
- (a) ^{F2}paragraph 53 of Schedule 2 to ITTOIA 2005] applies; and
 - (b) any amount which is included in the transitional overlap profit would not have been so included if—
 - (i) any relevant change made by that person had not been made; or
 - (ii) any relevant transaction entered into by that person had not been entered into.
- (2) Subject to sub-paragraph (3) below, ^{F3}paragraph 53 of that Schedule] shall have effect as if the reference to the transitional overlap profit were a reference to the amount (if any) by which that profit exceeds 1.25 times the aggregate of the amounts falling within sub-paragraph (1)(b) above.
- (3) Sub-paragraph (3) of paragraph 1 above shall apply for the purposes of this paragraph as it applies for the purposes of that paragraph but subject to the following modifications, namely—

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- (a) the reference to the aggregate of the amounts mentioned in the said paragraph 2(2) shall have effect as a reference to the transitional overlap profit; and
- (b) the reference to the appropriate percentage of the turnover for the transitional period shall have effect as a reference to the appropriate percentage of the turnover for the transitional overlap period.

(4) In this paragraph—

“the appropriate percentage” means the following expressed as a percentage, that is, 365 divided by the number of days in the transitional overlap period;

“the transitional overlap period” means the period beginning immediately after the end of—

- (a) the basis period for the year 1996-97 [^{F4}(determined in accordance with paragraph 1 of Schedule 20 to the Finance Act 1994 despite the repeal by ITTOIA 2005 of that paragraph)]; or
- (b) in the case of any income derived by any person from the carrying on by him of a trade or profession in partnership with other persons, the basis period of the partnership for that year [^{F4}(as so determined)],

and (in either case) ending with 5th April 1997;

“the transitional overlap profit” means the amount mentioned in [^{F5}paragraph 53(3) of Schedule 2 to ITTOIA 2005].

Textual Amendments

- F2** Words in Sch. 22 para. 7(1) substituted (6.4.2005) by *Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), Sch. 1 para. 484(7)(a)* (with Sch. 2)
- F3** Words in Sch. 22 para. 7(2) substituted (6.4.2005) by *Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), Sch. 1 para. 484(7)(b)* (with Sch. 2)
- F4** Words in Sch. 22 para. 7(4) inserted (6.4.2005) by *Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), Sch. 1 para. 484(7)(c)* (with Sch. 2)
- F5** Words in Sch. 22 para. 7(4) substituted (6.4.2005) by *Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), Sch. 1 para. 484(7)(d)* (with Sch. 2)

^{F68}

Textual Amendments

- F6** Sch. 22 paras. 8-10 repealed (6.4.2005) by *Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), Sch. 1 para. 484(8), Sch. 3* (with Sch. 2)

Increase of interest arising in 1995-96 and 1996-97

^{F69}

Textual Amendments

- F6** Sch. 22 paras. 8-10 repealed (6.4.2005) by *Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), Sch. 1 para. 484(8), Sch. 3* (with Sch. 2)

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Increase of other income arising in 1995-96 and 1996-97

F⁶10

Textual Amendments

F6 Sch. 22 paras. 8-10 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 1 para. 484\(8\)](#), [Sch. 3](#) (with [Sch. 2](#))

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