

SCHEDULES

SCHEDULE 22

REMEDIATION OF CONTAMINATED LAND

PART 3

MANNER OF GIVING EFFECT TO RELIEF

Entitlement to land remediation tax credit

- 14 (1) A company may claim a land remediation tax credit if in an accounting period it has a “qualifying land remediation loss”.
- (2) A company has a “qualifying land remediation loss” for this purpose if in an accounting period—
- (a) paragraph 13 applies, and
 - (b) the company incurs a Schedule A loss or a trading loss in that period in the Schedule A business or the trade referred to in paragraph 13(b).
- (3) The amount of the qualifying land remediation loss is equal to the lesser of—
- (a) 150% of the related qualifying land remediation expenditure, and
 - (b) so much of the company’s Schedule A loss or trading loss as is unrelieved.
- (4) For this purpose the amount of a Schedule A loss or trading loss that is “unrelieved” is the amount of that loss reduced by the amount of—
- (a) any relief that was or could have been obtained by the company making a claim under section 392A(1) or 393A(1)(a) of the Taxes Act 1988 to set the loss against profits of whatever description of the same accounting period,
 - (b) any other relief obtained by the company in respect of the loss, including relief under section 393A(1)(b) of that Act (losses set against profits of an earlier accounting period), and
 - (c) any loss surrendered under section 403(1) of that Act (surrender of relief to group or consortium members).
- (5) No account shall be taken for this purpose of—
- (a) any Schedule A losses or trading losses brought forward from an earlier accounting period under section 392A(2) or 393(1) of the Taxes Act 1988, or
 - (b) any trading losses carried back from a later accounting period under section 393A(1)(b) of that Act.
- (6) Sub-paragraphs (7) to (9) apply for the purpose of determining the amount of a Schedule A loss that is “unrelieved” in an accounting period in a case where the Schedule A loss is a loss treated under section 432AB(3) of the Taxes Act 1988 as an amount of expenses of management under section 76 of that Act.

Status: This is the original version (as it was originally enacted).

- (7) If in that accounting period no amount falls to be carried forward to a succeeding accounting period under section 75(3) of the Taxes Act 1988 (carrying forward expenses of management and charges on income where such expenses and charges exceed amount of profits from which deductible), no amount of the Schedule A loss is unrelieved.
- (8) If in that accounting period an amount falls to be carried forward to a succeeding accounting period under section 75(3) of that Act, the amount of the Schedule A loss that is unrelieved is equal to the lesser of—
- (a) the amount of the Schedule A loss, and
 - (b) the amount which so falls to be carried forward.
- (9) In determining for the purposes of sub-paragraphs (7) and (8) whether there is an amount which falls to be carried forward under section 75(3) of the Taxes Act 1988, there shall be disregarded any amounts brought forward from an earlier accounting period and treated as expenses of management for the period in question by virtue of—
- (a) a previous application of section 75(3) of that Act, or
 - (b) paragraph 4(4) of Schedule 11 to the Finance Act 1996 (c. 8) (loan relationships deficit carried forward and treated as expenses of management).
- (10) If—
- (a) the company is an insurance company, and
 - (b) it is treated under section 432AA of the Taxes Act 1988 as carrying on more than one Schedule A business,

references in this paragraph to a Schedule A loss shall be construed in accordance with section 432AB(4) or (6) of that Act (aggregation of losses where an insurance company is treated under section 432AA as having more than one Schedule A business).