

## SCHEDULES

### SCHEDULE 36

#### FOSTER CARERS

#### PART 2

##### THE EXEMPTION AND THE ALTERNATIVE METHODS OF CALCULATION

##### *Periods of account ending otherwise than on 5th April*

- 15 (1) This paragraph applies to an individual for a year of assessment for which—
- (a) the individual qualifies for relief under this Schedule,
  - (b) his foster care receipts are the receipts of a trade, profession or vocation, and
  - (c) the period of account in which his foster care receipts accrue ends on a day other than 5th April in that year of assessment.
- (2) If the individual's total foster care receipts for the period of account do not exceed the relevant limit for that period (see sub-paragraph (6) or (8)) the profits or losses from his trade, profession or vocation for the year of assessment are to be treated as nil.
- (3) If, in a case falling within sub-paragraph (2), the individual would, apart from that sub-paragraph, be entitled to a deduction for the year under section 63A(1) or (3) of the Taxes Act 1988 (overlap profits and overlap losses), the individual is entitled to that deduction notwithstanding that sub-paragraph.
- (4) Sub-paragraph (5) applies where—
- (a) the individual's total foster care receipts for the period of account exceed the relevant limit for that period, and
  - (b) an election by him under paragraph 14 has effect.
- (5) The profits of the year of assessment of the trade, profession or vocation from which the individual's foster care receipts arise are—
- (a) the amount of the foster care receipts arising from the trade, profession or vocation for the period of account, less
  - (b) the relevant limit for that period.
- (6) If the period of account in which the individual's foster care receipts accrue ends in the year 2003-04, "the relevant limit" for that period is found by aggregating—
- (a) the individual's share of the fixed amount for the year 2003-04 (found in accordance with paragraph 7), and
  - (b) each amount per child for that individual for that period of account.
- (7) For the purposes of sub-paragraph (6), an individual's amount per child for the period of account is each amount that would be his amount per child by virtue of paragraph 8 for the year 2003-04 if that period of account were the income period for that year.

---

*Status: This is the original version (as it was originally enacted).*

---

- (8) If the period of account in which the individual's foster care receipts accrue ends in a year subsequent to the year 2003-04, "the relevant limit" for that period is found by aggregating—
- (a) the individual's share of the fixed amount for the year in which the period of account ends (found in accordance with paragraph 7), and
  - (b) for each of the years of assessment in which the period of account falls, each amount per child for that individual for each part of that period of account which falls within that year of assessment.
- (9) For the purposes of sub-paragraph (8), an individual's amount per child for a part of a period of account is each amount that would be his amount per child by virtue of paragraph 8 for the year of assessment in which the part of that period falls if that part of the period of account were the income period for that year.