

*These notes refer to the Income Tax (Trading and Other Income)
Act 2005 (c.5) which received Royal Assent on 24 March 2005*

INCOME TAX (TRADING AND OTHER INCOME) ACT 2005

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 6: Exempt income

Chapter 10: General

Section 783: General disregard of exempt income for income tax purposes

2917. This section confirms that income covered by exemptions in this Part, unless specific rules are provided, is exempt for all purposes of the Income Tax Acts (including information returns and the operation of sections 348 and 349 of ICTA).
2918. The source legislation employs a variety of expressions concerning exemptions which may suggest that particular exemptions might be more narrowly expressed than others. But even where apparently more narrow wording is employed the implications of such wording are mitigated by regulations or practice.
2919. *Subsection (2)* is based on section 325. It provides that the full amount of NSB interest (exempt and non-exempt interest) is to be included in information returns.
2920. *Subsection (3)* provides that specific provisions override this section: an example is the provision of information under the SIP code in paragraph 93 of Schedule 2 to ITEPA.