

*These notes refer to the Income Tax Act 2007 (c.3)
which received Royal Assent on 20 March 2007*

INCOME TAX ACT 2007

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 2: Basic provisions

Overview

Chapter 3: Calculation of income tax liability

Overview

Section 28: Order of deducting tax reductions: other persons

120. This section provides rules about the order in which tax reductions are to be given for persons other than individuals. It is based on sections 790(3) and 796(1) of ICTA and sections 26 and 27(1) of FA 2005.
121. There are fewer tax reductions available than for individuals, so the rules are less complex. *Subsection (2)* corresponds to section 27(2) in providing a new rule that the reductions are allowed in the way that gives the greatest reduction in liability. See *Change 4* in Annex 1 and the commentary on section 27.
122. *Subsection (5)* is a special rule concerning the tax reduction given to certain trustees under section 26 of FA 2005.