



# Corporation Tax Act 2009

## 2009 CHAPTER 4

### [<sup>F1</sup>PART 15A

#### TELEVISION PRODUCTION

### CHAPTER 2

#### TAXATION OF ACTIVITIES OF TELEVISION PRODUCTION COMPANY

#### *[<sup>F1</sup>Supplementary*

#### Textual Amendments

- F1** Pt. 15A inserted (17.7.2013 for specified purposes, 19.7.2013 in so far as not already in force, and with effect in accordance with Sch. 16 para. 3 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 16 paras. 1, 2](#); [S.I. 2013/1817](#), [art. 2\(1\)](#)

#### **1216BB Income from the relevant programme**

- (1) References in this Chapter to income from the relevant programme are to any receipts by the company in connection with the making or exploitation of the programme.
- (2) This includes—
  - (a) receipts from the sale of the programme or rights in it,
  - (b) royalties or other payments for use of the programme or aspects of it (for example, characters or music),
  - (c) payments for rights to produce games or other merchandise, and
  - (d) receipts by the company by way of a profit share agreement.
- (3) Receipts that (apart from this subsection) would be regarded as of a capital nature are treated as being of a revenue nature.

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*Changes to legislation:* There are outstanding changes not yet made by the legislation.gov.uk editorial team to Corporation Tax Act 2009. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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### **1216BC Costs of the relevant programme**

- (1) References in this Chapter to the costs of the relevant programme are to expenditure incurred by the company on—
  - (a) television production activities in connection with the programme, or
  - (b) activities with a view to exploiting the programme.
- (2) This is subject to any provision of the Corporation Tax Acts prohibiting the making of a deduction, or restricting the extent to which a deduction is allowed, in calculating the profits of a trade.
- (3) Expenditure that (apart from this subsection) would be regarded as of a capital nature by reason only of being incurred on the creation of an asset (the relevant programme) is treated as being of a revenue nature.

### **1216BD When costs are taken to be incurred**

- (1) For the purposes of this Chapter costs are incurred when they are represented in the state of completion of the work in progress.
- (2) Accordingly—
  - (a) payments in advance for work to be done are ignored until the work has been carried out, and
  - (b) deferred payments are recognised to the extent that the work is represented in the state of completion.
- (3) The costs incurred on the relevant programme are taken to include an amount that has not been paid only if it is the subject of an unconditional obligation to pay.
- (4) If an obligation is linked to income being earned from the relevant programme, no amount is to be brought into account in respect of the costs of the obligation unless an appropriate amount of income is or has been brought into account.

### **1216BE Pre-trading expenditure**

- (1) This section applies if, before the company began to carry on the separate programme trade, it incurred expenditure on development of the relevant programme.
- (2) The expenditure may be treated as expenditure of the separate programme trade and as if incurred immediately after the company began to carry on that trade.
- (3) If expenditure so treated has previously been taken into account for other tax purposes, the company must amend any relevant company tax return accordingly.
- (4) Any amendment or assessment necessary to give effect to subsection (3) may be made despite any limitation on the time within which an amendment or assessment may normally be made.

### **1216BF Estimates**

Estimates for the purposes of this Chapter must be made as at the balance sheet date for each period of account, on a just and reasonable basis taking into consideration all relevant circumstances.]

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 322(2A)(zb) inserted by [2016 c. 24 s. 73\(5\)](#)
- s. 934(1A)(1B) inserted by [2023 c. 30 Sch. 2 para. 12\(2\)](#)
- s. 962(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(5\)\(b\)](#)
- s. 962A(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(6\)\(b\)](#)
- s. 963(1A) inserted by [2023 c. 30 Sch. 2 para. 12\(7\)\(a\)](#)
- s. 1058B(5)(ea) inserted by [2023 c. 20 Sch. para. 57](#)
- s. 1094(2A)-(2C) inserted by [2012 c. 14 Sch. 3 para. 13\(3\)](#)
- s. 1106(4A)-(4C) inserted by [2012 c. 14 Sch. 3 para. 14\(3\)](#)
- s. 1138A applied by [S.I. 2024/348 reg. 3](#)