



Corporation Tax Act 2009

2009 CHAPTER 4

PART 3

TRADING INCOME

CHAPTER 14

ADJUSTMENT ON CHANGE OF BASIS

Mark to market

186 Election for spreading if section 185 applies

- (1) If section 185 applies, the company carrying on the trade may elect for any receipt treated as arising under this Chapter to be spread over 6 periods of account.
- (2) The election must be made within 12 months of the end of the first accounting period to which the new basis applies.
- (3) If an election is made, an amount equal to one-sixth of the amount of the receipt—
 - (a) is treated as arising, and
 - (b) is brought into account in calculating the profits of the trade,in each of the 6 periods of account beginning with the first period to which the new basis applies.
- (4) But if, before the whole of the receipt has been so brought into account, the company permanently ceases to carry on the trade, the whole of the amount so far as not previously brought into account—
 - (a) is treated as arising, and
 - (b) is brought into account in calculating the profits of the trade, immediately before the cessation.

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.

[View outstanding changes](#)

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](#)