



Corporation Tax Act 2010

2010 CHAPTER 4

[^{F1}PART 8B

TRADING PROFITS TAXABLE AT THE NORTHERN IRELAND RATE

[^{F2}CHAPTER 14A

ORCHESTRA TAX RELIEF

[^{F1}][^{F2}*Orchestra tax relief*

Textual Amendments

- F1** Pt. 8B inserted (with effect in accordance with s. 5 of the amending Act) by [Corporation Tax \(Northern Ireland\) Act 2015 \(c. 21\), s. 1](#)
- F2** Pt. 8B Ch. 14A inserted (with effect in accordance with Sch. 8 para. 18(1) of the amending Act) by [Finance Act 2016 \(c. 24\), Sch. 8 para. 14](#)

357UK Northern Ireland additional deduction

- (1) In this Chapter “a Northern Ireland additional deduction” means so much of a deduction under section 1217RD of CTA 2009 (claim for additional deduction) as is calculated by reference to qualifying expenditure that is Northern Ireland expenditure.
- (2) A Northern Ireland additional deduction forms part of the Northern Ireland profits or Northern Ireland losses of the separate orchestral trade.

357UL Northern Ireland supplementary deduction

- (1) This section applies where—

Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross Heading: Orchestra tax relief. (See end of Document for details)

- (a) a company is entitled under section 1217RD of CTA 2009 to an additional deduction in calculating the profit or loss of the separate orchestral trade in an accounting period,
 - (b) the company is a Northern Ireland company in the period,
 - (c) the additional deduction is wholly or partly a Northern Ireland additional deduction, and
 - (d) any of the following conditions is met—
 - (i) the company does not have a surrenderable loss in the accounting period;
 - (ii) the company has a surrenderable loss in the accounting period, but does not make a claim under section 1217RG of CTA 2009 (orchestra tax credit claimable if company has surrenderable loss) for the period;
 - (iii) the company has a surrenderable loss in the accounting period and makes a claim under that section for the period, but the amount of Northern Ireland losses surrendered on the claim is less than the Northern Ireland additional deduction.
- (2) The company is entitled to make another deduction (“a Northern Ireland supplementary deduction”) in respect of qualifying expenditure.
- (3) See section 357UM for provision about the amount of the Northern Ireland supplementary deduction.
- (4) The Northern Ireland supplementary deduction—
- (a) is made in calculating the profit or loss of the separate orchestral trade, and
 - (b) forms part of the Northern Ireland profits or Northern Ireland losses of the separate orchestral trade.
- (5) In this section “surrenderable loss” has the meaning given by section 1217RH of CTA 2009.

357UM Northern Ireland supplementary deduction: amount

- (1) This section contains provision for the purposes of section 357UL(2) about the amount of the Northern Ireland supplementary deduction.
- (2) If the accounting period falls within only one financial year, the amount of the Northern Ireland supplementary deduction is—

$$(A - B) \times \left(\frac{(\text{MR} - \text{NIR})}{\text{NIR}} \right)$$

where—

A is the amount of the Northern Ireland additional deduction brought into account in the accounting period;

B is the amount of Northern Ireland losses surrendered in any claim under section 1217RG of CTA 2009 for the accounting period;

MR is the main rate for the financial year;

NIR is the Northern Ireland rate for the financial year.

Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross Heading: Orchestra tax relief. (See end of Document for details)

- (3) If the accounting period falls within more than one financial year, the amount of the Northern Ireland supplementary deduction is determined by taking the following steps.

Step 1 Calculate, for each financial year, the amount that would be the Northern Ireland supplementary deduction for the accounting period if it fell within only that financial year (see subsection (2)).

Step 2 Multiply each amount calculated under step 1 by the proportion of the accounting period that falls within the financial year for which it is calculated.

Step 3 Add together each amount found under step 2.

357UN Orchestra tax credit: Northern Ireland supplementary deduction ignored

For the purpose of determining the available loss of a company under section 1217RH of CTA 2009 (amount of surrenderable loss) for any accounting period, any Northern Ireland supplementary deduction made by the company in the period (and any Northern Ireland supplementary deduction made in any previous accounting period) is to be ignored.]]

Changes to legislation:

There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross
Heading: Orchestra tax relief.