



Corporation Tax Act 2010

2010 CHAPTER 4

[^{F1}PART 8B

TRADING PROFITS TAXABLE AT THE NORTHERN IRELAND RATE

CHAPTER 15

PROFITS ARISING FROM THE EXPLOITATION OF PATENTS ETC

[^{F1}"Relevant Northern Ireland IP profits"]

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](#)

357VB Relevant Northern Ireland IP profits: SMEs [^{F2}that are Northern Ireland employers]

- (1) This section applies if—
 - (a) the company is a Northern Ireland company in the relevant period by virtue of the [^{F3}SME (Northern Ireland employer) condition] in section 357KA, and
 - (b) the trade is not an excluded trade.
- (2) The company's "relevant Northern Ireland IP profits" are its relevant IP profits of the trade for the period but—
 - (a) calculated without taking into account any amounts which are—
 - (i) treated by section 747 of CTA 2009 as receipts or expenses of the trade for the period, but
 - (ii) do not under section 357OA form part of the Northern Ireland profits or Northern Ireland losses of the trade for the period, and

Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross Heading: "Relevant Northern Ireland IP profits". (See end of Document for details)

- (b) excluding so much of its relevant IP profits as are attributable to a qualifying IP right or an exclusive licence in respect of a qualifying IP right which (in either case) is held by the company for the purposes of an excluded activity.

Textual Amendments

- F2** Words in s. 357VB heading inserted (16.11.2017) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 7 para. 12\(2\)](#)
- F3** Words in s. 357VB(1)(a) substituted (16.11.2017) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 7 para. 12\(3\)](#)

357VC Relevant Northern Ireland IP profits: [^{F4}SMEs that are not Northern Ireland employers and] large companies

- (1) This section applies if—
- (a) the company is a Northern Ireland company in the relevant period by virtue of [^{F5}the SME (election) condition or] the large company condition in section 357KA, and
 - (b) the trade is a qualifying trade by virtue of section 357KB(1) (trade other than excluded trade).
- (2) The company has “relevant Northern Ireland IP profits” for the period only if IP-related profits that (in accordance with Chapters 6 to 8) form part of its Northern Ireland profits or Northern Ireland losses for the period amount to Northern Ireland profits (rather than losses).
- (3) The company's “relevant Northern Ireland profits” for the period are the appropriate proportion of the relevant IP profits.
- (4) The “appropriate proportion” is—

$$\frac{NI}{P}$$

where—

NI is so much of the IP-related profits as (in accordance with Chapters 6 to 8) forms part of its Northern Ireland profits;

P is the IP-related profits.

- (5) In this section the “IP-related profits” means the profits of the company's trade for the accounting period attributable to—
- (a) qualifying IP rights held by the company, or
 - (b) exclusive licences held by the company in respect of qualifying IP rights.]

Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross Heading: “Relevant Northern Ireland IP profits”. (See end of Document for details)

.....

Textual Amendments

F4 Words in s. 357VC heading inserted (16.11.2017) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 7 para. 13\(2\)](#)

F5 Words in s. 357VC(1)(a) inserted (16.11.2017) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 7 para. 13\(3\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross
Heading: "Relevant Northern Ireland IP profits".