Corporation Tax Act 2010

2010 CHAPTER 4

[F1PART 8A

PROFITS ARISING FROM THE EXPLOITATION OF PATENTS ETC

CHAPTER 3

RELEVANT IP PROFITS **[**F1: CASES MENTIONED IN SECTION 357A(7): NO INCOME FROM NEW IP**]**

Routine return figure

[F1357CIRoutine return figure

(1) To determine the routine return figure in relation to a trade of a company for an accounting period—

Step 1 Take the aggregate of any routine deductions made by the company in calculating the profits of the trade for the accounting period. For the meaning of "routine deductions", see **[**F2sections 357BJA and 357BJB**]** .

Step 2 Multiply that amount by 0.1.

Step 3 Calculate X% of the amount given by Step 2."X%" is the percentage given by Step 2 in section 357C(1).

(2) In a case where—

(a) the company ("C") is a member of a group,

(b) another member of the group incurs expenses on behalf of C,

(c) had they been incurred by C, C would have made a deduction in respect of the expenses in calculating the profits of the trade for the accounting period, and

(d) the deduction would have been a routine deduction,

C is to be treated for the purposes of subsection (1) as having made such a routine deduction.

Changes to legislation: *Corporation Tax Act 2010, Section 357CI is up to date with all changes known to be in force on or before 10 October 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

(3) Where expenses are incurred by any member of the group on behalf of C and any other member of the group, subsection (2) applies in relation to so much of the amount of the expenses as on a just and reasonable apportionment may properly be regarded as incurred on behalf of C.**]**

Textual Amendments

F1 Pt. 8A inserted (with effect in accordance with Sch. 2 paras. 7, 8 of the amending Act) by Finance Act 2012 (c. 14), **Sch. 2 para. 1(1)**

F2 Words in s. 357CI(1) substituted (15.9.2016) by Finance Act 2016 (c. 24), **Sch. 9 para. 8**

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:
Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 357CHA omitted by 2024 c. 3 Sch. 2 para. 14(7)
- s. 658(1)(d)(e) inserted by 2010 c. 13 Sch. 6 para. 31 (This amendment not applied to legislation.gov.uk. Sch. 6 para. 31 omitted (retrospective to 6.4.2010) by virtue of Finance Act 2012 (c. 14), s. 52(2) (3))