



Corporation Tax Act 2010

2010 CHAPTER 4

[^{F1}PART 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

[^{F1}357CI Routine 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 [^{F2}sections 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: There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 357CI. (See end of Document for details)

- (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](#)

Changes to legislation:

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 357CI.