



Corporation Tax Act 2010

2010 CHAPTER 4

PART 9

LEASING PLANT OR MACHINERY

CHAPTER 2

LONG FUNDING LEASES OF PLANT OR MACHINERY

Lessors under long funding finance leases

362 Lessor under long funding finance lease making termination payment

- (1) This section applies if—
 - (a) a company is or has been the lessor under a long funding finance lease,
 - (b) the lease terminates, and
 - (c) a sum calculated by reference to the termination value is paid to the lessee.
- (2) No deduction in respect of the sum is allowed in calculating the profits of the company for corporation tax purposes.
- (3) This section does not prevent a deduction in respect of a sum so far as it is brought into account in determining the company's rental earnings.
- (4) For the meaning of “termination value”, see section 381(3)(m).

Changes to legislation:

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 362.