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**Changes to legislation:** There are currently no known outstanding effects for the Corporation Tax (Northern Ireland) Act 2015, Paragraph 14. (See end of Document for details)

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## SCHEDULES

### SCHEDULE 1

#### CAPITAL ALLOWANCES

#### PART 4

##### AMENDMENTS OF CAA 2001 RELATING TO OTHER ALLOWANCES

##### *Research and development*

14 After section 439 insert—

**“439A Qualifying expenditure incurred for purposes of NI rate activity**

- (1) Subsection (2) applies if—
  - (a) a company that does not have a Northern Ireland regional establishment incurs expenditure for the purposes of a trade,
  - (b) the activities for the purposes of which the expenditure is incurred would, if the company were a NIRE company, be an NI rate activity treated as a separate trade, and
  - (c) the company subsequently becomes a NIRE company.
- (2) The expenditure is to be treated as incurred on the first day of the first chargeable period in which the company is a NIRE company.
- (3) Subsection (4) applies if—
  - (a) a partnership that does not have a Northern Ireland regional establishment incurs expenditure for the purposes of a trade,
  - (b) the activities for the purposes of which the expenditure is incurred would, if the partnership were a Northern Ireland Chapter 7 firm, be an NI rate activity treated as a separate trade, and
  - (c) the partnership subsequently becomes a Northern Ireland Chapter 7 firm.
- (4) The expenditure is to be treated as incurred on the first day of the first chargeable period in which the partnership is a Northern Ireland Chapter 7 firm.
- (5) In this section “Northern Ireland regional establishment” has the same meaning as in Part 8B of CTA 2010 (see Chapter 5 of that Part as read, in relation to a partnership, with section 357WA(4) of that Act).”

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