

SCHEDULES

SCHEDULE 16

TAXATION OF CORONAVIRUS SUPPORT PAYMENTS

Exemptions, reliefs and deductions

- 4 (1) An amount of a coronavirus support payment that relates only to mutual activities of a business that carries on a mutual trade is to be treated as if it were income arising from those activities (and accordingly the amount is not taxable).
- (2) A coronavirus support payment is to be ignored when carrying out the calculation—
- (a) in section 528(1) of ITA 2007 (incoming resources limit for charitable exemptions);
 - (b) in section 482(1) of CTA 2010 (incoming resources limit for charitable companies);
 - (c) in section 661CA(1) of CTA 2010 (income condition for community amateur sports clubs).
- (3) A coronavirus support payment made under an employment-related scheme is to be ignored when carrying out the calculation—
- (a) in section 662(2) of CTA 2010 (exemption from corporation tax for UK trading income of community amateur sports clubs);
 - (b) in section 663(2) of that Act (exemption from corporation tax for UK property income of community amateur sports clubs).
- (4) No relief under Chapter 1 of Part 6A of ITTOIA 2005 (trading allowance) is given to an individual on an amount of a coronavirus support payment made under the self-employment income support scheme brought into account under paragraph 1(2) as profits of that tax year.
- (5) For the purposes of that Part, such an amount is to be ignored when calculating the individual's "relevant income" for that tax year under Chapter 1 of that Part.
- (6) Neither section 57 of ITTOIA 2005 nor section 61 of CTA 2009 (deductions for pre-trading expenses) (including as they apply by virtue of sections 272 and 272ZA of ITTOIA 2005 and section 210 of CTA 2009) apply to employment costs where an amount of a coronavirus support payment made under an employment-related scheme relates to those costs.