

SCHEDULES.

NINTH SCHEDULE

COMPUTATION OF PROFIT AND CAPITAL FOR PURPOSES OF ARMAMENT PROFITS DUTY.

PART I

ADAPTATION OF INCOME TAX PROVISIONS AS TO COMPUTATION OF PROFIT.

- 4 The principles of the Income Tax Acts under which deductions are not allowed for interest, annuities or other annual payments payable out of the profits, or for royalties, or (in certain cases) for rent, and under which the annual value of lands, tenements, hereditaments or heritages occupied for the purposes of a business is excluded, and under which a deduction may be allowed in respect of such annual value, shall not be followed :

Provided that—

- (a) nothing in this paragraph shall authorise any deduction in respect of any payment of dividend or distribution of profits;
- (b) for the purposes of this paragraph any additional deduction allowable for income tax purposes by virtue of the proviso to paragraph (2) of Rule 5 of the Rules applicable to Cases I and II of Schedule D and any deduction allowable for those purposes under section eighteen of the Finance Act, 1919, shall not be treated as a deduction in respect of annual value.