



# Income and Corporation Taxes Act 1988

## 1988 CHAPTER 1

### PART XII

#### SPECIAL CLASSES OF COMPANIES AND BUSINESSES

#### [<sup>F1</sup>CHAPTER 5A

##### SPECIAL RULES FOR LONG FUNDING LEASES OF PLANT OR MACHINERY: CORPORATION TAX

###### Textual Amendments

- F1** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) inserted (with effect in accordance with [Sch. 8 para. 15](#) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [Sch. 8 para. 11](#)

###### *Introductory*

#### **502A Scope of Chapter 5A**

**F2** . . . . .

###### Textual Amendments

- F2** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

###### *Lessors under long funding finance leases*

#### **502B Lessor under long funding finance lease: rental earnings**

**F3** . . . . .

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#### Textual Amendments

- F3** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### 502C Lessor under long funding finance lease: exceptional items

**F4** .....

#### Textual Amendments

- F4** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### 502D Lessor under long funding finance lease making termination payment

**F5** .....

#### Textual Amendments

- F5** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### *Lessors under long funding operating leases*

### 502E Lessor under long funding operating lease: periodic deduction

**F6** .....

#### Textual Amendments

- F6** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### 502F Long funding operating lease: lessor's additional expenditure

**F7** .....

#### Textual Amendments

- F7** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### 502G Lessor under long funding operating lease: termination of lease

**F8** .....

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#### Textual Amendments

- F8** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*<sup>F9</sup>Lessors under long funding finance or operating leases: avoidance etc*

#### Textual Amendments

- F9** [S. 502GA](#) and preceding cross-heading inserted (with effect in accordance with [Sch. 20 para. 9\(5\)](#) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 20 para. 9\(2\)](#)

### **502GA Cases where ss. 502B to 502G do not apply: plant or machinery held as trading stock**

**F10** . . . . .

#### Textual Amendments

- F10** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### **[<sup>F11</sup>502GB Cases where ss. 502B to 502G do not apply: lessor also lessee under non-long funding lease**

**F12** . . . . .]

#### Textual Amendments

- F11** [S. 502GB](#) inserted (with effect in accordance with [Sch. 20 para. 9\(6\)](#) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 20 para. 9\(3\)](#)
- F12** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### **[<sup>F13</sup>502GC<sup>F14</sup> Cases where ss. 502B to 502G do not apply: other avoidance**

. . . . .]

#### Textual Amendments

- F13** [S. 502GC](#) inserted (with effect in accordance with [Sch. 20 para. 9\(7\)](#) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 20 para. 9\(4\)](#)
- F14** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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**Cases where ss 502B to 502G do not apply: films**  
**502GD** .....]]

**Textual Amendments**

- F15** [S. 502GD](#) inserted (with effect in accordance with [Sch. 33 para. 3](#) of the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 33 para. 1](#)
- F16** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Insurance company as lessor*

**502H Insurance company as lessor**

**F17** .....

**Textual Amendments**

- F17** [S. 502H](#) omitted (with effect in accordance with [Sch. 17 para. 17\(12\)](#) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 17 para. 17\(10\)\(11\)\(b\)](#)

*Lessees under long funding finance leases*

**502I Lessee under long funding finance lease: limit on deductions**

**F18** .....

**Textual Amendments**

- F18** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**502J Lessee under long funding finance lease: termination**

**F19** .....

**Textual Amendments**

- F19** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Lessees under long funding operating leases*

**502K Lessee under long funding operating lease**

**F20** .....

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### Textual Amendments

**F20** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

## Interpretation of Chapter

### 502L Interpretation of this Chapter

**F21** ..... ]

### Textual Amendments

**F21** [Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**Changes to legislation:**

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act Tax Acts: power to modify conferred by [2004 c. 25 s. 18](#)
- Act Taxes Acts modified by 1970 c. 9, Sch. A1 para. 10(7) (as inserted) by [2017 c. 32 s. 60\(3\)](#)
- Act Taxes Acts modified by 1970 c. 9, s. 8(7) (as inserted) by [2017 c. 32 Sch. 14 para. 3\(15\)](#)
- Act Taxes Acts modified by 1970 c. 9, s. 8A(7) (as inserted) by [2017 c. 32 Sch. 14 para. 4\(12\)](#)
- Act applied (with modifications) by [S.I. 2010/875 reg. 16Sch. 2](#) (This amendment not applied to legislation.gov.uk. S.I. 2010/875 was revoked (27.8.2010) by SI 2010/1906, reg. 2 without having come into force)

**Whole provisions yet to be inserted into this Act (including any effects on those provisions):**

- s. 109A(4B) inserted by [2005 c. 7 Sch. 4 para. 6\(3\)](#) (This amendment not applied to legislation.gov.uk. The amending provision (2005 c. 7, Sch. 4 para. 6) repealed retrospectively by 2005 c. 22, Sch. 6 para. 4(1)(6))
- Sch. 19AB para. 5(5)(a)(b) words substituted by [S.I. 2001/3629 art. 52\(2\)\(n\)](#) (This amendment not applied to legislation.gov.uk. The words to be substituted do not occur in Sch. 19AB para. 5)