



Finance Act 1994

1994 CHAPTER 9

PART IV

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER IV

CHANGES FOR FACILITATING SELF-ASSESSMENT

Assessment under Cases I and II of Schedule D

^{F1}**200 Assessment on current year basis.**

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Textual Amendments

F1 Ss. 200-208 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

^{F1}**201 Basis of assessment at commencement.**

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Textual Amendments

F1 Ss. 200-208 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

Changes to legislation: Finance Act 1994, Chapter IV is up to date with all changes known to be in force on or before 07 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

^{F1}202 Change of basis period.

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Textual Amendments

- F1** [Ss. 200-208](#) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

^{F1}203 Conditions for such a change.

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Textual Amendments

- F1** [Ss. 200-208](#) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

^{F1}204 Basis of assessment on discontinuance.

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Textual Amendments

- F1** [Ss. 200-208](#) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

^{F1}205 Overlap profits and overlap losses.

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Textual Amendments

- F1** [Ss. 200-208](#) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

Assessment under Cases III to VI of Schedule D

^{F1}206 Basis of assessment under Case III.

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Textual Amendments

- F1** [Ss. 200-208](#) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

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^{F1}207 Basis of assessment under Cases IV and V.

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Textual Amendments

- F1** [Ss. 200-208](#) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

^{F1}208 Basis of assessment under Case VI.

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Textual Amendments

- F1** [Ss. 200-208](#) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

Loss relief

^{F2}209 Loss relief: general.

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Textual Amendments

- F2** [S. 209](#) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

Modifications etc. (not altering text)

- C1** [S. 209](#) amended (*retrospectively*) by [1995 c. 4](#), [s. 118](#)

^{F3}210 Relief for losses on unquoted shares.

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Textual Amendments

- F3** [S. 210](#) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

Modifications etc. (not altering text)

- C2** [S. 210](#) amended (*retrospectively*) by [1995 c. 4](#), [s. 119](#)

Capital allowances

211 Income tax allowances and charges in taxing a trade etc.

^{F4}(1)

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- (2) Subject to section 214(7) below, this section and sections 212 to 214 below, in their application to trades, professions or vocations set up and commenced before 6th April 1994 or employments or offices entered into before that date, have effect as respects the year 1997-98 and subsequent years of assessment.

Textual Amendments

- F4** S. 211(1) repealed (22.3.2001 with effect as mentioned in s. 579(1) of the repealing Act) by 2001 c. 2, s. 580, Sch. 4

^{F5}**212**

Textual Amendments

- F5** S. 212 repealed (22.3.2001 with effect as mentioned in s. 579(1) of the repealing Act) by 2001 c. 2, s. 580, Sch. 4

^{F6}**213**

Textual Amendments

- F6** S. 213 repealed (22.3.2001 with effect as mentioned in s. 579(1) of the repealing Act) by 2001 c. 2, s. 580, Sch. 4

214 Amendments of other enactments.

- (1) In the Taxes Act 1988, the following provisions shall cease to have effect, namely—
- (a) in section 96 (farming and market gardening: relief for fluctuating profits), in subsection (7), paragraph (b);
 - (b) section 383 (extension of right to set-off to capital allowances);
 - (c) in section 384 (restrictions on right of set-off), in subsection (1), the words “(including any amount in respect of capital allowances which, by virtue of section 383, is to be treated as a loss)”, and in subsection (2), the words “or an allowance in respect of expenditure incurred”, paragraph (b) and the word “or” immediately preceding that paragraph;
 - (d) in section 388 (carry-back of terminal losses), in subsection (6), paragraphs (b) and (d) and the word “and” immediately preceding paragraph (d), and in subsection (7), the words from the beginning to “an earlier year: and”; and
 - (e) in section 389 (supplementary provisions relating to carry-back of terminal losses), subsections (5) to (7).

^{F7}(2)

^{F8}(3)

^{F9}(4)

^{F9}(5)

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^{F9}(6)

(7) Subsection (1)(a) above—

- (a) except in its application to a trade set up and commenced on or after 6th April 1994, has effect where the first of the two years of assessment to which the claim relates is the year 1996-97 or any subsequent year, and
- (b) in its application to a trade so set up and commenced, has effect where the first of those two years of assessment is the year 1995-96 or any subsequent year.

Textual Amendments

- F7** S. 214(2) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))
- F8** [S. 214\(3\)](#) repealed (1.4.2010) (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))
- F9** S. 214(4)-(6) repealed (22.3.2001 with effect as mentioned in s. 579(1) of the repealing Act) by [2001 c. 2](#), s. 580, [Sch. 4](#)

Miscellaneous and supplemental

^{F10}**215 Treatment of partnerships.**

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Textual Amendments

- F10** [S. 215](#) repealed (1.4.2009) (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

Modifications etc. (not altering text)

- C3** S. 215 amended (*retrospectively*) by [1995 c. 4](#), s. 117

216 Effect of change in ownership of trade, profession or vocation.

^{F11}(1)

- (2) Subsections (3) to (5) of that section and, in subsection (6) of that section, the words from “and where” to the end shall cease to have effect.
- (3) The following provisions of that Act shall cease to have effect, namely—
 - (a) in section 96 (farming and market gardening: relief for fluctuating profits), in subsection (6) the words from “except that” to the end;
 - (b) in section 380 (set-off against general income), subsection (3);
 - (c) in section 381 (further relief in early years of trade), subsection (6);
 - (d) in section 384 (restrictions on right of set-off), subsection (5);
 - (e) in section 385 (carry-forward against subsequent profits), subsections (2) and (5);
 - (f) in section 386 (carry-forward where business transferred to a company), subsection (4); and

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- (g) in section 389 (supplementary provisions relating to carry-back of terminal losses), subsection (3).

^{F12}(4)

(5) Subsection (3)(a) above—

- (a) except in its application to a trade set up and commenced on or after 6th April 1994, has effect where the first of the two years of assessment to which the claim relates is the year 1996-97 or any subsequent year, and
- (b) in its application to a trade so set up and commenced, has effect where the first of those two years of assessment is the year 1995-96 or any subsequent year.

Textual Amendments

- F11** S. 216(1) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))
- F12** S. 216(4) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

^{F13}217 Double taxation relief in respect of overlap profits.

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Textual Amendments

- F13** S. 217 repealed (1.4.2010) (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), s. 381(1), [Sch. 10 Pt. 1](#) (with [Sch. 9](#) paras. 1-9, 22)

218 Commencement, transitional provisions and savings.

(1) Unless the contrary intention appears, this Chapter—

- (a) except in its application to a trade set up and commenced on or after 6th April 1994 or income from a source arising to a person on or after that date, has effect as respects the year 1996-97 and subsequent years of assessment, and
- (b) in its application to a trade so set up and commenced or income from a source so arising, has effect as respects the year 1994-95 and subsequent years of assessment.

[^{F14}(1A) In a case where—

- (a) a trade is set up and commenced by a company, and
- (b) it is not set up and commenced before 6th April 1994,

sections 213(4) and (8) and 214(4) and (6) have effect only if it is set up and commenced on or after 6th April 1995.]

(2) Any reference in subsection (1) above to a trade includes a reference to a profession, vocation, employment or office.

(3) Where the first underwriting year of the underwriting business of a member of Lloyd's is the year 1994, subsection (1) above shall have effect in relation to that business as if it had been set up and commenced on 6th April 1994.

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- (4) Where, as respects income from any source, income tax is to be charged under Case IV or V of Schedule D by reference to the amounts of income received in the United Kingdom, the source shall be treated for the purposes of subsection (1) above as arising on the date on which the first amount of income is so received.
- (5) This Chapter shall have effect subject to the transitional provisions and savings contained in Schedule 20 to this Act.

Textual Amendments

F14 S. 218(1A) inserted (*retrospectively*) by 1995 c. 4, s. 102(2)

Changes to legislation:

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

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

- s. 16A(2)(g) inserted by [2023 c. 30 Sch. 13 para. 28](#)
- s. 160(2)-(7) modified by 2010 c. 8 s. 464(6) (as inserted) by [2017 c. 32 Sch. 5 para. 1](#)
- Sch. 5 para. 2(1)(pa) inserted by [S.I. 2022/109 reg. 4](#) (This amendment not applied to legislation.gov.uk. The affecting statutory instrument has no legal effect. It was made under a procedure which meant that it ceased to have effect 28 days after signing unless it was debated and approved in Parliament within that time. It was not debated and approved within 28 days, so it has expired with no effect.)