

*These notes refer to the Income Tax (Trading and Other Income)  
Act 2005 (c.5) which received Royal Assent on 24 March 2005*

# **INCOME TAX (TRADING AND OTHER INCOME) ACT 2005**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 7: Income charged under this Act: rent-a-room and foster-care relief**

##### ***Chapter 1: Rent-a-room relief***

##### ***Section 794: Full rent-a-room relief: income chargeable under Chapter 8 of Part 5***

2962. This section provides for full relief when the rent-a-room income includes income charged under Chapter 8 of Part 5 of this Act. It is new.
2963. *Subsection (1)* reflects the change referred to in the last paragraph of the commentary on section 786. The extension of rent-a-room relief to certain income charged under Schedule D Case VI in the source legislation requires the rule in this section to relieve such income when the relevant conditions are met. See *Change 128* in Annex 1.
2964. There is no equivalent in this section of section 793(3). Such a provision is not needed for rent-a-room income charged under Chapter 8 of Part 5 of this Act because there is no statutory provision for capital allowances for that type of income.