



Income Tax (Trading and Other Income) Act 2005

2005 CHAPTER 5

PART 2

TRADING INCOME

CHAPTER 1

INTRODUCTION

3 Overview of Part 2

- (1) This Part imposes charges to income tax under—
 - (a) Chapter 2 (the profits of a trade, profession or vocation which meet the territorial conditions mentioned in section 6),
 - (b) Chapter 17 (amounts treated as adjustment income under section 228), and
 - (c) Chapter 18 (post-cessation receipts that are chargeable under this Part).
- (2) Part 6 deals with exemptions from the charges under this Part.
- (3) See, in particular, the exemptions under sections 777 (VAT repayment supplements) and 778 (incentives to use electronic communications).
- (4) The charges under this Part apply to non-UK residents as well as UK residents but this is subject to sections [F16(1A), (2)] and (3) and 243(3) and (4) (charges on non-UK residents only on UK income).
- (5) The rest of this Part contains rules relevant to the charges to tax under this Part.
- (6) This section needs to be read with the relevant priority rules (see sections 2 and 4).

Status: Point in time view as at 12/02/2019.

Changes to legislation: There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Chapter 1. (See end of Document for details)

Textual Amendments

- F1** Words in s. 3(4) substituted (with effect in accordance with s. 82 of the amending Act) by [Finance Act 2016 \(c. 24\), s. 78\(3\)](#) (and also with effect in accordance with [Finance \(No. 2\) Act 2017 \(c. 32\)](#), s. 39(1)(2))

4 Provisions which must be given priority over Part 2

- (1) Any receipt or other credit item, so far as it falls within—
- (a) Chapter 2 of this Part (receipts of trade, profession or vocation), and
 - (b) Chapter 3 of Part 3 so far as it relates to a UK property business,
- is dealt with under Part 3.
- (2) Any receipt or other credit item, so far as it falls within—
- (a) this Part, and
 - (b) Part 2, 9 or 10 of ITEPA 2003 (employment income, pension income or social security income),
- is dealt with under the relevant Part of ITEPA 2003.

Status:

Point in time view as at 12/02/2019.

Changes to legislation:

There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Chapter 1.