



Income Tax Act 2007

2007 CHAPTER 3

[^{F1}PART 12A

SALE AND LEASE-BACK ETC

CHAPTER 1

PAYMENTS CONNECTED WITH TRANSFERRED LAND

Certain deductions from earnings: restriction and carrying forward of relief

[^{F1}681AFCarrying forward parts of payments

- (1) This section applies if—
 - (a) section 681AE has effect, and
 - (b) conditions A and B are met.
- (2) Condition A is that under section 681AE part of a payment which would otherwise be allowed as a relevant deduction from earnings is not allowed.
- (3) Condition B is that one or more later payments are made, by the transferor or a person associated with the transferor, under—
 - (a) the lease (if section 681AE has effect because of section 681AA(2)), or
 - (b) the rentcharge or other transaction mentioned in section 681AB(2)(b) (if section 681AE has effect because of section 681AB(2)).
- (4) The part of the payment mentioned in subsection (2) may be carried forward and treated for the purposes of a relevant deduction from earnings as if it were made—
 - (a) when the next of the later payments is made, and
 - (b) for the period for which that later payment is made.
- (5) So far as a part of a payment carried forward under this section is not allowed as a relevant deduction from earnings, it may be carried forward again under this section.]

Changes to legislation: *There are currently no known outstanding effects for the Income Tax Act 2007, Section 681AF. (See end of Document for details)*

Textual Amendments

- F1** Pt. 12A inserted (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. 4 para. 2** (with [Sch. 9 paras. 1-9, 22](#))

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