



Corporation Tax Act 2009

2009 CHAPTER 4

PART 20

GENERAL CALCULATION RULES

CHAPTER 2

OTHER GENERAL RULES

Miscellaneous profits and losses

1306 Losses calculated on same basis as miscellaneous income

- (1) The same rules apply for corporation tax purposes in calculating a company's miscellaneous losses as apply in calculating corresponding miscellaneous income.
- (2) This is subject to any express provision to the contrary.
- (3) In this section—
 - (a) “miscellaneous income” means profits or other income of the company charged to corporation tax under or by virtue of a provision to which section 834A of ICTA applies, and
 - (b) “miscellaneous losses” means losses in transactions in respect of which the company is within the charge to corporation tax under or by virtue of such a provision.
- (4) Provision corresponding to that made by this section is made by—
 - (a) section 47 (in relation to trades), and
 - (b) section 210 (in relation to property businesses).

1307 Apportionment etc of miscellaneous profits and losses to accounting period

- (1) This section applies if—

Status: This is the original version (as it was originally enacted).

- (a) income is chargeable to corporation tax under or by virtue of any provision to which section 834A of ICTA applies, and
 - (b) any period for which accounts are drawn up (a “period of account”) does not coincide with an accounting period.
- (2) For this purpose the reference to any provision to which section 834A of ICTA applies is to be read as if subsection (3) of that section were omitted (exclusion of Chapter 8 of Part 10 so far as relating to income which arises from a source outside the United Kingdom).
- (3) Any of the following steps may be taken if they are necessary in order to arrive at the profits or losses of the accounting period—
- (a) apportioning the profits or losses of a period of account to the parts of that period falling in different accounting periods, and
 - (b) adding the profits or losses of a period of account (or part of a period) to profits or losses of other periods of account (or parts).
- (4) The steps must be taken by reference to the number of days in the periods concerned.

Expenditure on research and development

1308 Expenditure brought into account in determining value of intangible asset

- (1) Subsection (2) applies if a company—
- (a) incurs expenditure on research and development which is not of a capital nature, and
 - (b) brings the expenditure into account in determining the value of an intangible asset.
- (2) The expenditure is not prevented from being allowed as a deduction in calculating for corporation tax purposes the company’s profits, just because it is brought into account as mentioned in subsection (1)(b).
- (3) Subsection (2) applies, in particular, for the purposes of—
- (a) section 87 (expenses of research and development), and
 - (b) Part 13.
- (4) Subsection (5) applies if, in accordance with subsection (2), expenditure is both—
- (a) brought into account in determining the value of an intangible asset, and
 - (b) allowed as a deduction in calculating profits.
- (5) No deduction may be made in calculating for corporation tax purposes the profits of the company in respect of the writing down of so much of the value of the intangible asset as is attributable to the expenditure.
- (6) Subsection (2) does not allow expenditure as a deduction in calculating a company’s profits for an accounting period so far as—
- (a) a deduction has been made in respect of it in calculating the company’s profits for a previous accounting period, or
 - (b) the company has benefited from a tax relief in respect of it for a previous accounting period under Part 13.
- (7) In this section—

“intangible asset” has the meaning it has for accounting purposes, and
“research and development” has the meaning given by section 837A of
ICTA.

Visiting performers

1309 Payments treated as made to visiting performers

- (1) This section applies if a payment or transfer made to a company within the charge to corporation tax is treated under section 13(5) of ITTOIA 2005 as made instead to the performer.
- (2) The company is treated for corporation tax purposes as if the payment or transfer had not been made to it.
- (3) Subsection (2) does not apply in such circumstances as may be prescribed by regulations.
- (4) Regulations—
 - (a) may provide that any liability to corporation tax which would apart from subsection (2) arise in relation to the payment or transfer is not to arise (or is to arise so far as prescribed),
 - (b) may make provision generally for giving effect to subsection (2), and
 - (c) may make different provision for different cases or descriptions of cases.
- (5) In this section—

“payment” and “transfer” have the same meaning as in section 13 of ITTOIA 2005,
“regulations” means regulations made by the Treasury.