



Corporation Tax Act 2009

2009 CHAPTER 4

PART 18

UNREMITTABLE INCOME

1277 Income charged on withdrawal of relief after source ceases

- (1) This section applies if—
 - (a) income is treated as arising as a result of section 1276, and
 - (b) at the time it is so treated the company which would have become liable for corporation tax as a result of that section—
 - (i) has permanently ceased to carry on the trade or property business from which the income arises, or
 - (ii) in the case of income from another source, has ceased to possess that source.
- (2) In the case of income from a trade—
 - (a) the income is treated as a post-cessation receipt for the purposes of Chapter 15 of Part 3 (trading income: post-cessation receipts), but
 - (b) in the application of that Chapter to that income, section 189 (extent of charge to tax) is omitted.
- (3) In the case of income from a property business—
 - (a) the income is treated as a post-cessation receipt from a UK property business for the purposes of Chapter 9 of Part 4 (property income: post-cessation receipts), but
 - (b) in the application of that Chapter to that income, section 281 (extent of charge to tax) is omitted.
- (4) In the case of income from another source, the income is taxed as if the company continued to possess that source.

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Corporation Tax Act 2009. Any changes that have already been made by the team appear in the content and are referenced with annotations.

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

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

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

- s. 322(2A)(zb) inserted by [2016 c. 24 s. 73\(5\)](#)
- s. 934(1A)(1B) inserted by [2023 c. 30 Sch. 2 para. 12\(2\)](#)
- s. 962(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(5\)\(b\)](#)
- s. 962A(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(6\)\(b\)](#)
- s. 963(1A) inserted by [2023 c. 30 Sch. 2 para. 12\(7\)\(a\)](#)
- s. 1058B(5)(ea) inserted by [2023 c. 20 Sch. para. 57](#)
- s. 1094(2A)-(2C) inserted by [2012 c. 14 Sch. 3 para. 13\(3\)](#)
- s. 1106(4A)-(4C) inserted by [2012 c. 14 Sch. 3 para. 14\(3\)](#)
- s. 1138A applied by [S.I. 2024/348 reg. 3](#)