



# Corporation Tax Act 2009

## 2009 CHAPTER 4

### PART 3

#### TRADING INCOME

### CHAPTER 5

#### TRADE PROFITS: RULES ALLOWING DEDUCTIONS

#### *Redundancy payments etc*

#### **78 Payments in respect of employment in more than one capacity**

- (1) This section applies if the payment is in respect of the employee's employment with the employer—
  - (a) partly in the employer's trade, and
  - (b) partly in one or more other capacities.
- (2) The amount of the redundancy payment, or the amount which would have been due if a redundancy payment had been payable, is to be apportioned on a just and reasonable basis between—
  - (a) the employment in the trade, and
  - (b) the employment in the other capacities.
- (3) The part of the payment apportioned to the employment in the trade is treated as a payment in respect of the employee's employment wholly in the trade for the purposes of section 77.