

---

**Changes to legislation:** There are currently no known outstanding effects for the Finance Act 2020,  
Cross Heading: Charge where employment costs deductible by another. (See end of Document for details)

---

## SCHEDULES

### SCHEDULE 16

#### TAXATION OF CORONAVIRUS SUPPORT PAYMENTS

##### *Charge where employment costs deductible by another*

- 5 (1) Income tax is charged on an amount of a coronavirus support payment made under an employment-related scheme if conditions A and B are met.
- (2) Condition A is that the amount is neither brought into account under paragraph 1(2) in calculating the profits of a business carried on by the person entitled to the payment as an employer nor treated, by virtue of paragraph 2(3) or (4), as a post-cessation receipt arising from the carrying on of such a business.
- (3) Condition B is that expenses incurred by another person in respect of the same employment costs which are the subject of the coronavirus support payment and to which the amount relates are deductible—
- (a) in calculating the profits of a business carried on by that other person (for income or corporation tax purposes), or
  - (b) in calculating the liability of that other person to tax charged under section 242 or 349 of ITTOIA 2005 or section 188 or 280 of CTA 2009 (post-cessation receipts).
- (4) Tax is charged under sub-paragraph (1) on the whole of the amount to which that sub-paragraph applies.
- (5) The person liable for tax charged under sub-paragraph (1) is the person entitled to the coronavirus support payment as an employer.
- (6) Section 3(1) of CTA 2009 (exclusion of charge to income tax) does not apply to an amount of a coronavirus support payment that is charged under this paragraph.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2020, Cross Heading:  
Charge where employment costs deductible by another.