

SCHEDULES

SCHEDULE 16

TAXATION OF CORONAVIRUS SUPPORT PAYMENTS

Accounting for coronavirus support payments referable to a business

- 1 (1) This paragraph applies if a person carrying on, or who carried on, a business (whether alone or in partnership) receives a coronavirus support payment that is referable to the business.
- (2) So much of the coronavirus support payment as is referable to the business is a receipt of a revenue nature for income tax or corporation tax purposes and is to be brought into account in calculating the profits of that business—
 - (a) under the applicable provisions of the Income Tax Acts, or
 - (b) under the applicable provisions of the Corporation Tax Acts.
- (3) Subject to paragraph 2(5), sub-paragraph (2) does not apply to an amount of a coronavirus support payment if—
 - (a) the business to which the amount is referable is no longer carried on by the recipient of the amount, and
 - (b) the amount is not referable to activities of the business undertaken at a time when it was being carried on by the recipient of the amount.
- (4) If an amount of the coronavirus support payment is referable to more than one business or business activity, the amount is to be allocated between those businesses or activities on a just and reasonable basis.
- (5) Paragraph 3 contains provision about when, in certain cases, an amount of a coronavirus support payment is, or is not, referable to a business for the purposes of this paragraph and paragraph 2.
- (6) In this Schedule “business” includes—
 - (a) a trade, profession or vocation;
 - (b) a UK property business or an overseas property business;
 - (c) a business consisting wholly or partly of making investments.