
STATUTORY INSTRUMENTS

2005 No. 2045

The Income Tax (Construction
Industry Scheme) Regulations 2005

PART 4

PAYMENTS EXCEPTED FROM SECTION 60

Payments in respect of property used for business

22.—(1) A payment under a construction contract is not a contract payment if the payment is made by a person to whom section 59(1)(1) of the Act applies in respect of construction operations relating to property used for the purposes of the business of—

- (a) that person, or
 - (b) another company in the same group or of another company of which that company owns 50% or more of the shares.
- (2) For the purpose of paragraph (1)—
- (a) property is not used for the purposes of the business of a person if it is for sale or to let or is held as an investment by that person;
 - (b) in determining whether property is used for the purposes of the business of a person incidental use of that property by any other person is disregarded;
 - (c) section 413(3)(a) of ICTA applies to determine whether two companies are in the same group.