

Beta This part of GOV.UK is being rebuilt – [find out what beta means \(/help/beta\)](#)

HMRC internal manual

Corporate Intangibles Research and Development Manual

From: [HM Revenue & Customs](#)
([/government/organisations/hm-revenue-customs](#))

Published 11 March 2016

Updated: 10 September 2025 - [See all updates](#)

[Back to contents](#) > [CIRD200000](#) > [CIRD220000](#) > [CIRD220150](#)

CIRD220220 - Patent Box: relevant IP profits: relevant IP income: head 3: proceeds of realisation

CTA10/S357BH(7)

Head 3 is the income from the sale or other disposal of a qualifying IP right or exclusive licence in respect of such a right.

The relevant IP income is the gross income from the sale. RIPI will normally be the taxable credit recognised under CTA09/PART8/CHAPTER4 on

realisation, as set out in CTA09/S735 , S736 or s738. For disposals of pre-2002 patents, where the company chooses to spread the profit on a disposal for tax over a six year period, RIPI will be the part brought into charge to tax in the relevant year.

Head 3 does not include sales or other disposals of non-qualifying IP rights, even if they are:

- over inventions that the company also protects by qualifying IP rights; or
- sold or disposed of in the same transaction as those qualifying IP rights.

Where qualifying IP rights are sold together with other rights for a single price then the mixed income rules will be relevant ([CIRD220290](https://www.gov.uk/hmrc-internal-manuals/cird220290) (<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird220290>))

← **Previous page**

(/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird220210)

→ **Next page**

(/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird220230)





All content is available under the Open Government Licence v3.0, except where otherwise stated