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HMRC internal manual

Corporate Intangibles Research and Development Manual

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

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CIRD60055 - Land Remediation Relief: Timing of relief FA01/Sch22/Para13

CTA09/S1149 (5)

The accounting treatment determines when a company can claim Land Remediation Relief for revenue expenditure.

A company claims Land Remediation Relief for qualifying revenue expenditure in the accounting

period where the expenditure is deducted in calculating the profits in accordance with generally accepted accounting practice (GAAP).

HMRC officers should refer to an HMRC advisory accountant if they have queries on how particular expenditure is dealt with under GAAP.

Example:

“A Ltd starts to build a housing estate. A Ltd engages a specialist contractor to remove contamination left by an old industrial unit. At the end of year one A Ltd treats the expenditure as work-in-progress. In year two the development is completed and the properties sold. A Ltd deducts the expenditure on cleaning up the site in calculating the profits in year two.”

“A Ltd may claim Land Remediation Relief in year two. A claim in respect of any other year will fail.”

Guidance on the treatment of capital expenditure is at [CIRD60070 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird60070\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird60070) onwards.

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