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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](#)

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CIRD61005 - Land Remediation Relief: what is "land in a contaminated state"? - land in a contaminated state

This guidance applies to
expenditure incurred on or before 31
March 2009.

FA01/SCH22/PARA3

Land is in a contaminated state for the purposes of Land Remediation Relief, if, and only if, **substances** in, on or under the land are actually or potentially causing:

- **harm**, or
- the pollution of **controlled waters**.

Nuclear sites are specifically excluded from the definition of “land in a contaminated state” see [CIRD60115 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird60115\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird60115).

Work carried out as a precaution, without evidence that a substance was present, does not qualify for relief.

“Substance”

FA01/SCH22/PARA31 (1)

A “substance” for the purposes of Land Remediation Relief is any natural or artificial substance, whether in solid or liquid form or in the form of a gas or vapour.

Until 24 November 2008 HMRC took the view that the term “substance” could not include a life-form. On 24 November 2008, however, HMRC published a change of view, accepting that a plant can be a substance for the purposes of Land Remediation Relief. A copy of the change of view statement issued on 24 November 2008 is at [CIRD61020 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird61020\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird61020).

For periods before 1 April 2009, Land Remediation Relief did not distinguish between substances that were present as a result of industrial activities and those that were present as a result of naturally occurring processes.

“Harm”

FA01/SCH22/PARA31 (1)

For periods ending on or before 31 March 2009,
“Harm” means:

- harm to the health of living organisms,
- interference with the ecological systems of which any living organisms form part,
- offence to the senses of human beings, or
- damage to property.

The likelihood of harm being caused will vary according to the land use.

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