

Pre-trading expenditure. FA97 s29(1) and (4) to (6) 82.—(1) This section shall apply to expenditure incurred for the purposes of a trade or profession set up and commenced on or after the 22nd day of January, 1997.

(2) Subject to subsection (3), where a person incurs expenditure for the purposes of a trade or profession before the time that the trade or profession has been set up and commenced by that person, and such expenditure—

(a) is incurred not more than 3 years before that time, and

(b) is apart from this section not allowable as a deduction for the purpose of computing the profits or gains of the trade or profession for the purposes of Case I or II of Schedule D, but would have been so allowable if it had been incurred after that time,

then, the expenditure shall be treated for that purpose as having been incurred at that time.

(3) The amount of any expenditure to be treated under subsection (1) as incurred at the time that a trade or profession has been set up and commenced shall not be so treated for the purposes of section 381, 396(2), 420, 455(3) or 456.

(4) An allowance or deduction shall not be made under any provision of the Tax Acts other than this section in respect of any expenditure or payment which is treated under this section as incurred on the day on which a trade or profession is set up and commenced.