

Case IV: basis of assessment. ITA67 s79; FA96 s132(1) and Sch5 Ptl par1 (2) 74.—(1) Income tax under Case IV of Schedule D shall be computed either on the full amount of the profits or gains arising in the year of assessment or according to the average of such a period, not being greater than one year, as the case may require and as may be directed by the inspector.

(2) The nature of the profits or gains chargeable to income tax under Case IV of Schedule D, and the basis on which the amount of such profits or gains has been computed, including the average, if any, taken on such profits or gains, shall be stated to the inspector.

(3) Every such statement and computation shall be made to the best of the knowledge and belief of the person in receipt of or entitled to the profits or gains.