

Relief for expenses. ITA67 s290(1) to (3); CTA76 s21(1) and Sch1 par39 758.—(1) Notwithstanding section 81, in computing the profits or gains of any trade, there shall be allowed to be deducted as expenses any fees paid or expenses incurred in obtaining for the purposes of the trade the grant of a patent or an extension of the term of a patent.

(2) Where—

(a) a person, otherwise than for the purposes of a trade carried on by the person, pays any fees or incurs any expenses in connection with the grant or maintenance of a patent or the obtaining of an extension of a term of a patent, and

(b) those fees or expenses would, if they had been paid or incurred for the purposes of a trade, have been allowable as a deduction in estimating the profits or gains of the trade,

there shall be made to the person for the chargeable period in which those fees or expenses were paid or incurred an allowance equal to the amount of those fees or expenses.

(3) Where a patent is granted in respect of any invention, an allowance equal to so much of the net amount of any expenses incurred by an individual who, whether alone or in conjunction with any other person, actually devised the invention as is properly ascribable to the devising of that invention (not being expenses in respect of which, or of assets representing which, an allowance is to be made under any other provision of the Tax Acts) shall be made to that individual for the year of assessment in which the expenses were incurred.