

CHAPTER 3 Dredging: initial allowances and annual allowances

Interpretation). ITA67 s294(6), (8) and (10); CTA76 s21(1) and Sch1 par43 302.—(1) In this Chapter—

“dredging” does not include things done otherwise than in the interests of navigation, but (subject to that) includes the removal of anything forming part of or projecting from the bed of the sea or of any inland water, by whatever means it is removed and whether or not at the time of removal it is wholly or partly above water, and also includes the widening of an inland waterway in the interests of navigation;

“qualifying trade” means any trade or undertaking which, or a part of which, complies with either of the following conditions—

(a) that it consists of the maintenance or improvement of the navigation of a harbour, estuary or waterway, or

(b) that it is for a purpose set out in section 268 (1),

but, where part only of a trade or undertaking complies with paragraph (a) or (b), section 303 (5) shall apply as if the part which does and the part which does not so comply were separate trades.

(2) For the purposes of this Chapter, the first relevant chargeable period, in relation to expenditure incurred by any person, shall be the chargeable period related to the following event or occasion—

(a) the incurring of the expenditure, or

(b) in the case of expenditure for which allowances are to be made by virtue of section 303 (6), the occasion when that person first both carries on the trade or part of the trade for the purposes of which the expenditure was incurred, and occupies for the purposes of that trade or part of the trade the dock or other premises in connection with which the expenditure was incurred.