

## CHAPTER 4 Miscellaneous and general

Income tax: allowances and charges in taxing a trade, etc. ITA67 s241(3) and (4), s251(5), s252, s253, s254(5) and (6), s295, CTA76 s21(1) and Sch1 par6, par15, par16, par17 and par44 304.—(1) This section and section 305 shall apply as respects allowances and charges which are to be made under this Part as it applies for the purposes of income tax.

(2) Any claim by a person for an allowance under this Part in charging profits or gains of any description shall be included in the annual statement required to be delivered under the Income Tax Acts of those profits or gains, and the allowance shall be made as a deduction in charging those profits or gains.

(3) (a) A claim for an industrial building allowance under section 271 shall be accompanied by a certificate signed by the claimant (which shall be deemed to form part of the claim) stating that the expenditure was incurred on the construction of an industrial building or structure and giving such particulars as show that the allowance is to be made.

(b) A claim for an initial allowance under section 283 shall be accompanied by a certificate signed by the claimant (which shall be deemed to form part of the claim) stating that the expenditure was incurred on new machinery or new plant and giving such particulars as show that the allowance is to be made.

(4) Subject to section 278 (2), where full effect cannot be given in any year to any allowance to be made under this Part in taxing a trade owing to there being no profits or gains chargeable for that year, or owing to the profits or gains chargeable being less than the allowance, then, the allowance or part of the allowance to which effect has not been given, as the case may be, shall, for the purpose of making the assessment to income tax for the following year, be added to the amount of the allowances to be made under this Part in taxing the trade for that following year, and be deemed to be part of those allowances, or, if there is no such allowance for that following year, be deemed to be the allowance for that following year, and so on for succeeding years.

(5) Any charge to be made under this Part on a person for any chargeable period in taxing the person's trade or in charging the person's income under Case V of Schedule D shall be made by means of an assessment in addition to any other assessment to be made on the person for that period.

(6) (a) The preceding provisions of this section (other than subsection (3)) shall apply in relation to professions, employments and offices as they apply in relation to trades.

(b) Subsection (3)(b) shall, with any necessary modifications, apply in relation to professions as it applies in relation to trades.