HMRC - OT13140 - - Method Of Spreading

The legislation covering spreading elections ceased to have effect in relation to chargeable periods beginning after 30 June 2009.

OTA75\Sch3\Para9 & Para10

A participator may elect that

relief for expenditure which has qualified for supplement, plus the related supplement, shall not exceed an amount it specifies for the chargeable period and

that the excess be dealt with for subsequent chargeable periods in equal amounts over a specified period, OTA75\Sch3\Para9(1).

The amount not relieved is then written off in equal amounts over the next twenty periods, OTA75\Sch3\Para9(2).

At the time it makes the election however, the participator can specify that instead of twenty periods, the unrelieved amount can be spread over three, five, ten or fifteen periods, OTA75\Sch3\Para9(3). In addition, at any time during the ‘write-off period’ the participator can elect to have any unused expenditure written off in a particular period rather than partly in that period and partly in subsequent periods, OTA75\Sch3\Para9(4).

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