HMRC - OT26140 - The Mixed Pool Of Qualifying Pre-Commencement Expenditure And Supplement

CTA2010\S316

The mixed pool for pre-commencement RFES purposes includes

the relevant amount (if any) carried forward from the EES pre-commencement mixed pool,

expenditure qualifying for pre-commencement RFES, and

pre-commencement RFES.

The relevant amount of the EES pre-commencement mixed pool is the amount remaining in the pool immediately before 1 January 2006. For details of how this is calculated, see OT26090.

The amount of qualifying expenditure is worked out for each pre-commencement accounting period

by adding together the qualifying pre-commencement expenditure incurred in the period (referred to as ‘E’ in the legislation), and

CAA2001 disposal proceeds, referred to as ‘D’ in the legislation, allocated to the period, (see OT26145) and

unrelieved group ring fence profits of the period (see OT26125).

Amount of claim

The amount of RFES for the accounting period is worked out by applying the RFES rate to the sum of the amount in the mixed pool at the end of the previous accounting period plus the amount of qualifying expenditure for the accounting period in question. This amount of RFES is then added to the mixed pool as at the end of that accounting period.

Amount in mixed pool at the end of a pre-commencement period

The amount in the mixed pool at the end of an accounting period is the sum of

the relevant amount carried forward from the EES pre-commencement mixed pool,

the amount of qualifying expenditure for that accounting period and for previous accounting periods, as reduced for CAA01 disposal proceeds and unrelieved group ring fence profits, and

the amount of pre-commencement RFES for that accounting period and previous accounting periods.

Previous page