HMRC - VATDSAG04100 - The Partnership Act Definition Of Partnership

The Partnership Act definition of ‘business’ includes ‘every trade, occupation or profession’, so virtually any activity or venture of a commercial nature will meet that definition.

However, it is a fundamental condition of the definition that the business is carried on by two or more persons ‘in common’. In other words, there must be a single business, even if that business is carried on in a number of separate divisions.

If, on a true analysis, each supposed partner is carrying on a separate business, there can be no partnership between them in law.

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