



Income Tax (Trading and Other Income) Act 2005

2005 CHAPTER 5

PART 3

PROPERTY INCOME

CHAPTER 8

RENT RECEIVABLE IN CONNECTION WITH A UK SECTION 12(4) CONCERN

Charge to tax on rent receivable in connection with a UK section 12(4) concern

335 Charge to tax on rent receivable in connection with a UK section 12(4) concern

Income tax is charged on rent receivable in connection with a UK section 12(4) concern.

336 Meaning of “rent receivable in connection with a UK section 12(4) concern”

- (1) For the purposes of this Chapter rent is receivable in connection with a UK section 12(4) concern if—
 - (a) it is receivable in respect of an estate, interest or right in or over land in the United Kingdom, and
 - (b) the estate, interest or right is used, occupied or enjoyed in connection with a concern listed in section 12(4).
- (2) For the purposes of this Chapter rent is also receivable in connection with a UK section 12(4) concern if—
 - (a) it is receivable in respect of an estate, interest or right in or over land in the United Kingdom,

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- (b) the lease or other agreement under which it is receivable provides for its recoupment by reducing royalties or payments of a similar nature, and
 - (c) the reduction applies if the estate, interest or right is used, occupied or enjoyed in connection with a concern listed in section 12(4).
- (3) In this Chapter “rent” includes—
- (a) a receipt mentioned in section 266(3), and
 - (b) any other receipt in the nature of rent.

337 Income charged

- (1) Tax is charged under this Chapter on the full amount of the profits arising in the tax year.
- (2) This is subject to—
- section 339 (deduction for management expenses of owner of mineral rights),
 - F1** ...
 - F1** ...

Textual Amendments

- F1** S. 337 entry omitted (with effect in accordance with Sch. 39 para. 43(3) of the amending Act) by virtue of Finance Act 2012 (c. 14), **Sch. 39 para. 43(2)(a)(i)**

338 Person liable

The person liable for any tax charged under this Chapter is the person receiving or entitled to the rent.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 7A-7D inserted by [2022 c. 3 Sch. 1 para. 3](#)
- s. 31E(4) inserted by [2022 c. 3 Sch. 1 para. 7\(3\)](#)
- s. 649(1A)(1B) inserted by [2023 c. 30 Sch. 2 para. 11\(2\)](#)
- s. 679(3A) inserted by [2023 c. 30 Sch. 2 para. 11\(5\)\(b\)](#)
- s. 679A(3A) inserted by [2023 c. 30 Sch. 2 para. 11\(6\)\(b\)](#)
- s. 680(1A) inserted by [2023 c. 30 Sch. 2 para. 11\(7\)\(a\)](#)