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**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax (Trading and Other Income) Act 2005. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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# SCHEDULES

## SCHEDULE 1

### CONSEQUENTIAL AMENDMENTS

#### PART 2

#### OTHER ENACTMENTS

#### *Finance Act 2004 (c. 12)*

629 The Finance Act 2004 is amended as follows.

<sup>F1</sup>630 .....

**Textual Amendments**

**F1** Sch. 1 para. 630 repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), **Sch. 3 Pt. 1** (with [Sch. 2 Pts. 1, 2](#))

631 Omit section 97 (exemption from income tax for certain interest and royalty payments: introductory).

632 Omit section 98 (exemption from income tax for certain interest and royalty payments).

633 Omit section 99 (permanent establishments and “25% associates”).

634 Omit section 100 (interest payments: exemption notices).

635 <sup>F2</sup> .....

**Textual Amendments**

**F2** Sch. 1 para. 635 repealed (6.4.2007 with effect as stated in s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), ss. 1031, 1034, **Sch. 3 Pt. 1** (with transitional provisions and savings in [Sch. 2](#))

636 <sup>F3</sup> .....

**Textual Amendments**

**F3** Sch. 1 para. 636 repealed (6.4.2007 with effect as stated in s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), ss. 1031, 1034, **Sch. 3 Pt. 1** (with transitional provisions and savings in [Sch. 2](#))

637 Omit section 103 (special relationships).

638 Omit section 104 (anti-avoidance).

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639 Omit section 106 (transitional provision).

640 <sup>F4</sup> .....

**Textual Amendments**

**F4** Sch. 1 para. 640-643 repealed (6.4.2007 with effect as stated in [s. 1034\(1\)](#) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [ss. 1031, 1034](#), [Sch. 3 Pt. 1](#) (with transitional provisions and savings in [Sch. 2](#))

641 <sup>F5</sup> .....

**Textual Amendments**

**F5** Sch. 1 para. 640-643 repealed (6.4.2007 with effect as stated in [s. 1034\(1\)](#) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [ss. 1031, 1034](#), [Sch. 3 Pt. 1](#) (with transitional provisions and savings in [Sch. 2](#))

642 <sup>F6</sup> .....

**Textual Amendments**

**F6** Sch. 1 para. 640-643 repealed (6.4.2007 with effect as stated in [s. 1034\(1\)](#) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [ss. 1031, 1034](#), [Sch. 3 Pt. 1](#) (with transitional provisions and savings in [Sch. 2](#))

643 <sup>F7</sup> .....

**Textual Amendments**

**F7** Sch. 1 para. 640-643 repealed (6.4.2007 with effect as stated in [s. 1034\(1\)](#) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [ss. 1031, 1034](#), [Sch. 3 Pt. 1](#) (with transitional provisions and savings in [Sch. 2](#))

644 In section 186(1)(b) (scheme investments: income) for “which would” to the end substitute “ which are not relevant foreign income and which would otherwise be chargeable to income tax under Chapter 8 of Part 5 of ITTOIA 2005 (income not otherwise charged). ”

- 645 (1) Amend section 189(2) (meaning of “relevant UK earnings”) as follows.
- (2) In paragraph (b) for “Schedule D” substitute “ Part 2 of ITTOIA 2005 ”.
- (3) For paragraph (c) substitute—
- “(c) income to which section 833(5B) of ICTA (patent income) applies.”

646 In section 196(2) (relief for employers in respect of contributions paid) after “the purposes of” insert “ Part 2 of ITTOIA 2005 (trading income) or ”.

647 In section 197(10)(a) (spreading relief) after “charged under” insert “ Part 2 of ITTOIA 2005 (trading income) or ”.

<sup>F8</sup>648 .....

**Textual Amendments**

**F8** Sch. 1 para. 648 omitted (21.7.2008) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 29 para. 14\(4\)](#)

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- 649 In section 200(a) (no other relief for employers in connection with contributions) after “the purposes of” insert “ Part 2 of ITTOIA 2005 (trading income) or ”.
- 650 (1) Amend section 246 (restriction of deduction for non-contributory provision) as follows.
- (2) In subsection (2)(a) after “the purposes of” insert “ Part 2 of ITTOIA 2005 (trading income) or ”.
- (3) In subsection (3)(a) after “charged under” insert “ Part 2 of ITTOIA 2005 (trading income) or ”.
- 651 (1) Amend section 249 of FA 2004 (amendments of ITEPA 2003) as follows.
- (2) In subsection (3), in subsection (4) of the inserted section 393B—
- (a) for paragraph (a) substitute—
- “(a) an excepted group life policy as defined in section 480 of ITTOIA 2005,” and
- (b) in paragraph (b) for the words from “condition 1” to the end of the paragraph substitute “—
- (i) condition A in section 481 of that Act would be met if paragraph (a) in that condition referred to the death, in any circumstances or except in specified circumstances, of that individual (rather than the death in any circumstances of each of the individuals insured under the policy) and if the condition did not include paragraph (b), and
- (ii) conditions C and D in that section and conditions A and C in section 482 of that Act are met, or”.
- (3) In subsection (8), in the inserted section 395 of ITEPA 2003, for “Case VI of Schedule D” substitute “ subsection (2) of that section ”.
- 652 In section 280(1) (abbreviations and general index for Part 4) omit the “and” before the definition of “ITEPA 2003” and after that definition insert “and
- “ITTOIA 2005” means the Income Tax (Trading and Other Income Act) 2005.”
- 653 (1) Amend Schedule 15 (charge to income tax on benefit received by former owner of property) as follows.
- (2) In paragraph 1 (introductory) insert in the appropriate place—
- ““ITTOIA 2005” means the Income Tax (Trading and Other Income Act) 2005;”.
- (3) In paragraph 8 (intangible property comprised in settlement where settlor retains an interest)—
- (a) in sub-paragraph (1)(a)—
- (i) for “section 660A of the Taxes Act 1988” substitute “ section 624 of ITTOIA 2005 ”, and
- (ii) for “Part 15” substitute “ Chapter 5 of Part 5 ”, and
- (b) in sub-paragraph (1)(b) for “subsection (2) of that section” substitute “ section 625(1) of ITTOIA 2005 (settlor's retained interest) ”.

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- (4) In paragraph 9(1) (intangible property comprised in settlement where settlor retains an interest), in the definition of “T”—
- (a) in paragraph (a), for “section 547 of the Taxes Act 1988” substitute “section 461 of ITTOIA 2005”;
  - (b) in paragraph (b) for “section 660A of that Act” substitute “section 624 of that Act”; and
  - (c) in paragraph (c) for “that Act” substitute “the Taxes Act 1988”.
- (5) In paragraph 22(3)(b) (election for application of inheritance tax provisions) for “section 660A of the Taxes Act 1988” substitute “section 624 of ITTOIA 2005”.
- 654 In paragraph 1(4) and (6) of Schedule 24, for the words from “(and” to “have” substitute “has”.
- 655 In paragraph 12 of Schedule 35 (pension schemes etc: minor and consequential amendments) for the words from “for” to the end substitute “for the words from the beginning to “, if the claimant” substitute “Subject to subsection (2) below, section 274 of this Act and sections 192 to 194 of the Finance Act 2004, if the claimant
- .”
- 656 (1) Amend Schedule 36 (pension schemes etc: transitional provisions and savings) as follows.
- (2) In paragraph 41(a) (employers' contributions relieved before 6th April 2006) after “the purposes of” insert “Part 2 of ITTOIA 2005 (trading income) or”.
  - (3) In paragraph 53(2)(b) (benefits taxable under Chapter 2 of Part 6 of ITEPA 2003: contributions taxed pre-commencement) for “to tax under Case VI of Schedule D by virtue of” substitute “to income tax under subsection (2) of”.

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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\(7\)\(a\)](#)