



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### PART 21

#### LEASING ARRANGEMENTS: FINANCE LEASES AND LOANS

### CHAPTER 2

#### FINANCE LEASES WITH RETURN IN CAPITAL FORM

*Leases to which this Chapter applies*

#### **903 Provisions supplementing section 902**

- (1) In section 902—
  - “the relevant accounting period”, in relation to a major lump sum, means—
    - (a) the accounting period of the lessor (“L”) which is related to L’s period of account in which the major lump sum is or may be payable in accordance with the leasing arrangements, or
    - (b) if there are two or more such accounting periods, the latest of them, and
  - “the relevant time” means the time as at which it must be determined for the purposes of section 901(1) or (3) whether the conditions in section 902 are or, as the case may be, were met.
- (2) For the meaning of an accounting period being related to a period of account, see section 932(4).
- (3) Subsection (4) applies for determining the normal rent for a period of account for the purpose of determining whether condition D in section 902 is met as respects L unless subsection (5) applies.
- (4) Rent that falls to be brought into account for corporation tax purposes as it falls due is treated—

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**Changes to legislation:** There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 903. (See end of Document for details)

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- (a) as accruing evenly throughout the period to which, in accordance with the terms of the lease, each payment falling due relates, and
  - (b) as falling due as it so accrues.
- (5) This subsection applies if any such payment as is mentioned in subsection (4)(a) falls due more than 12 months after the time at which any of the rent to which that payment relates is treated as accruing under subsection (4)(a).

**Changes to legislation:**

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 903.