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**Changes to legislation:** There are currently no known outstanding effects for the Railways Act 2005, Cross  
Heading: Computation of profits and losses in respect of transfer of trade. (See end of Document for details)

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## SCHEDULES

### SCHEDULE 10

#### TAXATION PROVISIONS RELATING TO TRANSFER SCHEMES

#### PART 2

#### OTHER TRANSFERS UNDER SECTION 1(2) SCHEMES

##### *Computation of profits and losses in respect of transfer of trade*

- 10 (1) This paragraph applies where a person (“the predecessor”) is carrying on a trade or a part of a trade and, in consequence of a scheme made under section 1(2)—
- (a) the predecessor ceases to carry on that trade or that part of that trade; and
  - (b) a person who is not a national authority (“the successor”) begins to carry on that trade or that part of it.
- (2) For the purpose of computing, in relation to the time when the scheme comes into force and subsequent times, the relevant trading profits or losses of the predecessor and the successor—
- (a) the trade or part is to be treated as having been a separate trade at the time of its commencement and as having been carried on by the successor at all times since its commencement as a separate trade; and
  - (b) the trade carried on by the successor after the time when the scheme comes into force is to be treated as the same trade as that which it is treated, by virtue of paragraph (a), as having carried on as a separate trade before that time.
- (3) Where a trade or a part of a trade falls to be treated under this paragraph as a separate trade, such apportionments of receipts, expenses, assets and liabilities shall be made for the purpose of computing relevant trading profits and losses as may be just and reasonable.
- (4) This paragraph is subject to paragraphs 12 and 18.
- (5) In this paragraph, “relevant trading profits and losses” means profits or losses [F1 under Part 3 of the Corporation Tax Act 2009 in respect of the trade or part of a trade in question for periods in which the trade was carried on wholly or partly in the United Kingdom.]

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#### Textual Amendments

- F1** Words in [Sch. 10 para. 10\(5\)](#) substituted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\)](#), [Sch. 1 para. 667\(3\)](#) (with [Sch. 2 Pts. 1, 2](#))

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**Commencement Information**

**II** Sch. 10 para. 10 in force at 8.6.2005 by [S.I. 2005/1444](#), art. 2(1), [Sch. 1](#)

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