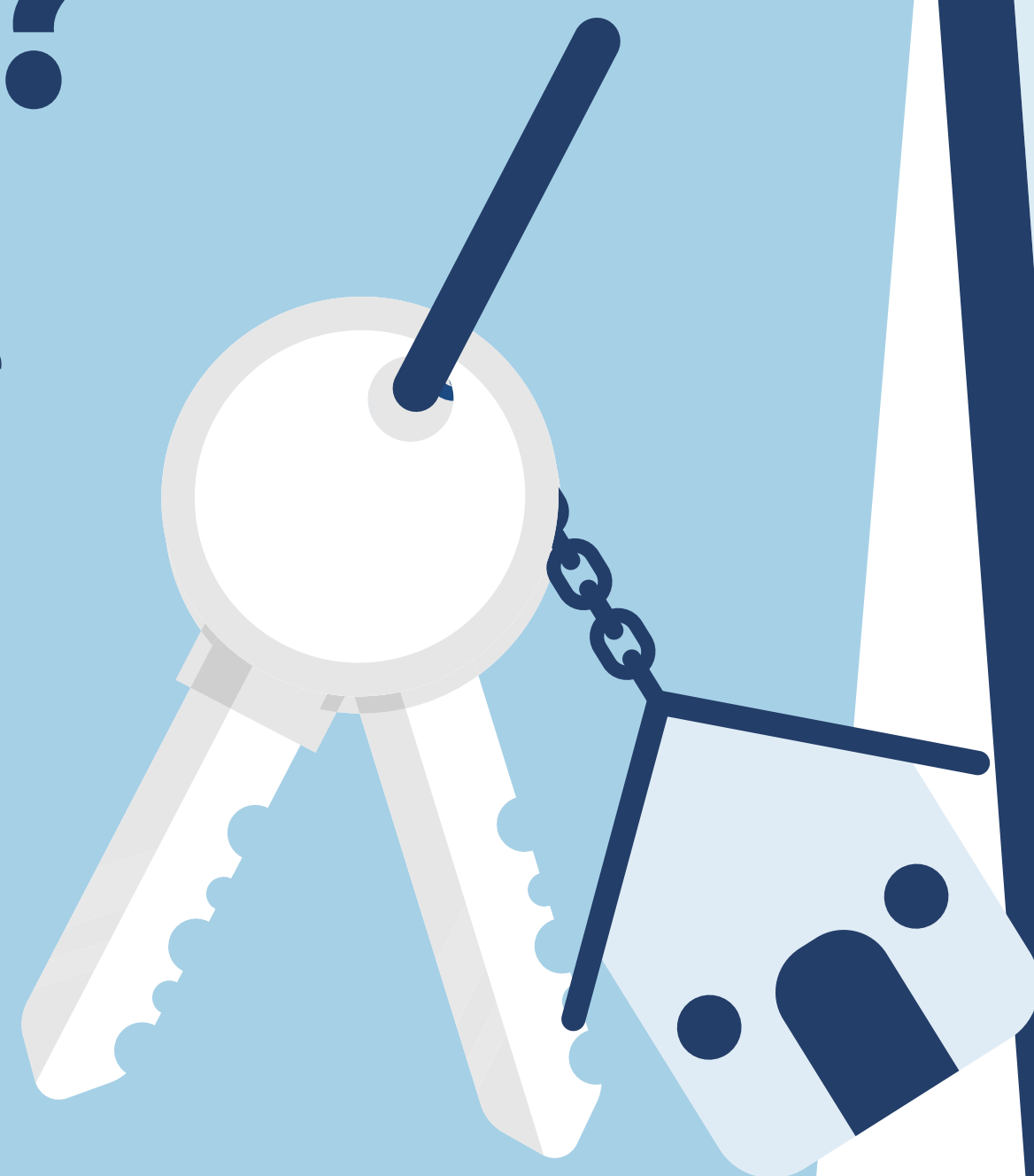


# Does landlord income count as unearned income?

## Does landlord income count as unearned income so the basic rate band is not extended?

Yes, landlord income is generally considered unearned income for tax purposes, and contributions to a UK pension scheme from unearned income do not extend the basic rate band. The basic rate band is only extended by contributions made from earned income, which includes income from employment, self-employment, and certain other sources.



So a landlord with 100% landlord income cannot extend the basic rate band via pension?

**That's correct.** A landlord who earns 100% of their income from rental properties would be considered to have unearned income for tax purposes, and contributions to a UK pension scheme from unearned income do not extend the basic rate band.

Is there corporation tax relief for a property company if they make company pension contributions?

**Yes, there is corporation tax relief** available for a property company if they make company pension contributions.

When a property company makes a contribution to a UK registered pension scheme for the benefit of an employee or director, the contribution is generally treated as an allowable expense for corporation tax purposes. This means that the company can deduct the full amount of the pension contribution from its taxable profits, reducing its corporation tax liability.

There is corporation tax relief on pensions even if all the profit is generated via property income?

**Yes, a property company can claim corporation tax relief** on pension contributions, even if all of its profits are generated from property income.