

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1991, SCHEDULE 15. (See end of Document for details)

SCHEDULES

SCHEDULE 15

Section 73.

RELIEF FOR COMPANY TRADING LOSSES

The Taxes Management Act 1970 (c. 9)

- 1 (1) In section 86 of the Taxes Management Act 1970 (interest on overdue tax) after subsection (2) there shall be inserted—

“(2A) In any case where—

- (a) on a claim under section 393A(1) of the principal Act, the whole or any part of a loss incurred in an accounting period (the “later period”) is set off for the purposes of corporation tax against profits of a preceding accounting period (the “earlier period),
- (b) the earlier period does not fall wholly within the period of twelve months immediately preceding the later period, and
- (c) if the claim had not been made, an amount of corporation tax assessed for the earlier period would carry interest in accordance with this section,

then, in determining the amount of interest payable under this section on corporation tax unpaid for the earlier period, no account shall be taken of any reduction in the amount of that tax which results from the claim, except so far as concerns interest for any time after the day following the expiry of the period of nine months from the end of the later period.”

- (2) The subsection (2A) inserted by sub-paragraph (1) above shall be omitted where the accounting period referred to in that subsection as the earlier period ends after the appointed day for the purposes of section 86 of the ^{M1}Finance (No.2) Act 1987 so far as relating to the omission of section 86(2)(d) of the Taxes Management Act 1970.

Marginal Citations

M1 1987 c. 51.

F1₂

Textual Amendments

F1 Sch. 15 para. 2 repealed (27.7.1993) by 1993 c. 34, s. 213, Sch. 23 Pt.III.

The Income and Corporation Taxes Act 1988 (c. 1)

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Textual Amendments

F2 Sch. 15 para. 3 repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

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Textual Amendments

F3 Sch. 15 para. 4 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

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Textual Amendments

F4 Sch. 15 para. 5 repealed (31.7.1997 with effect in accordance with s. 20 of the amending Act) by 1997 c. 58, s. 52, **Sch. 8 Pt. II(4)**, Note

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Textual Amendments

F5 Sch. 15 para. 6 repealed (31.7.1997 with effect in accordance with s. 20 of the amending Act) by 1997 c. 58, s. 52, **Sch. 8 Pt. II(4)**, Note

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Textual Amendments

F6 Sch. 15 paras. 7, 8 repealed (1.4.2010) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

F6
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Textual Amendments

F6 Sch. 15 paras. 7, 8 repealed (1.4.2010) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

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Textual Amendments

F7 Sch. 15 para. 9 repealed (27.7.1993 with effect in relation to accounting periods ending after the day appointed for the purposes of s. 10 of the Income and Corporation Taxes Act 1988) by 1993 c. 34, s. 213, **Sch. 23 Pt.III**.

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Textual Amendments

F8 Sch. 15 paras. 10-12 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

F8₁₁

Textual Amendments

F8 Sch. 15 paras. 10-12 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

F8₁₂

Textual Amendments

F8 Sch. 15 paras. 10-12 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

F9₁₃

Textual Amendments

F9 Sch. 15 para. 13 repealed (31.7.1998 with effect in accordance with s. 38(2)(3) of the amending Act) by 1998 c. 36, ss. 38(2)(3), 165, **Sch. 27 Pt. III(4)**, Note

F10₁₄

Textual Amendments

F10 Sch. 15 para. 14 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

F11₁₅

Textual Amendments

F11 Sch. 15 para. 15 omitted (17.7.2012) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 247(c)(ii)**

F12₁₆

Textual Amendments

F12 Sch. 15 para. 16 repealed (with effect in accordance with s. 38 of the amending Act) by Finance Act 2007 (c. 11), **Sch. 27 Pt. 2(7)**

F13₁₇

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Textual Amendments

F13 Sch. 15 para. 17 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

F1418

Textual Amendments

F14 Sch. 15 para. 18 repealed (the repeal coming into force in accordance with s. 39(4)(5) of the repealing Act) by 1995 c. 4, ss. 39(4)(5), 162, **Sch. 29 Pt. VIII(1)** Note

F1519

Textual Amendments

F15 Sch. 15 paras. 19-21 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

F1520

Textual Amendments

F15 Sch. 15 paras. 19-21 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

F1521

Textual Amendments

F15 Sch. 15 paras. 19-21 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

22 In section 825 of that Act, in subsection (4) (restrictions on repayment supplement) after paragraph (b) there shall be added the words “and

- (c) a repayment of corporation tax or income tax falling to be made as a result of a claim under section 393A(1) to have the whole or any part of a loss incurred in an accounting period set off against profits of an earlier accounting period (“the earlier period)—
 - (i) shall, in a case where the earlier period falls wholly within the period of twelve months immediately preceding the accounting period in which the loss was incurred, be treated as a repayment of tax paid for the earlier period; and
 - (ii) in any other case, shall be treated as a repayment of tax paid for the accounting period in which the loss is incurred; and
- (d) a payment of the whole or part of a tax credit falling to be made as a result of a claim under section 242, to the extent that a surplus of franked investment income for an accounting period (the “earlier period) is treated as there mentioned for the purpose of setting a

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loss incurred in a later accounting period against total profits under section 393A(1)—

(i) shall, in a case where the earlier period falls wholly within the period of twelve months immediately preceding the accounting period in which the loss is incurred, be treated as a payment in respect of franked investment income received in the earlier period; and

(ii) in any other case, shall be treated as a payment in respect of franked investment income received in the accounting period in which the loss is incurred.”

23 In section 826 of that Act (interest on tax overpaid) after subsection (7) there shall be inserted—

“(7A) In any case where—

- (a) a company carrying on a trade incurs a loss in the trade in an accounting period (“the later period),
- (b) as a result of a claim under section 393A(1), the whole or any part of that loss is set off for the purposes of corporation tax against profits (of whatever description) of an earlier accounting period (“the earlier period) which does not fall wholly within the period of twelve months immediately preceding the later period, and
- (c) a repayment falls to be made of corporation tax paid for the earlier period or of income tax in respect of a payment received by the company in that accounting period,

then, in determining the amount of interest (if any) payable under this section on the repayment referred to in paragraph (c) above, no account shall be taken of any increase in the amount of that repayment as a result of the claim under section 393A(1), except so far as concerns interest for any time after the date on which any corporation tax for the later period became (or, as the case may be, would have become) due and payable, as mentioned in subsection (2) above.

(7B) In any case where—

- (a) a company carrying on a trade incurs a loss in the trade in an accounting period (“the later period),
- (b) as a result of a claim under section 242, the whole or any part of a surplus of franked investment income for an earlier accounting period (the “earlier period) which does not fall wholly within the period of twelve months immediately preceding the later period is treated as there mentioned for the purpose of setting the loss against total profits under section 393A(1), and
- (c) a payment falls to be made of the whole or part of a tax credit comprised in franked investment income received by the company in the earlier period,

then, in determining the amount of interest (if any) payable under this section on the payment referred to in paragraph (c) above, no account shall be taken of any increase in the amount of that payment as a result of the claim under section 242 (to the extent that that section relates to section 393A(1)), except so far as concerns interest for any time after the date on which any corporation tax for the later period became (or, as the case may be, would have become) due and payable, as mentioned in subsection (2) above.”

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24 In section 843 of that Act (commencement) in subsection (4) (exceptions in the case of certain provisions which include section 394) “394” shall be omitted.

25 In Schedule 5 to that Act (treatment of farm animals etc for purposes of Case I of Schedule D) in paragraph 2(3)(a) (election for herd basis to be valid only if made not later than two years after end of the first chargeable period in which relief under section 393(2) given etc) after “393(2)” there shall be inserted “or 393A(1)”.

F16 26

Textual Amendments

F16 Sch. 15 para. 26 repealed (31.7.1998 with effect in accordance with s. 38(2)(3) of the amending Act) by 1998 c. 36, ss. 38(2)(3), 165, Sch. 27 Pt. III(4), Note

27 (1) In Schedule 30 to that Act (transitional provisions and savings) in paragraph 2 (duration of leases) in sub-paragraph (2)(a) (section 38 deemed to have effect as from passing of ^{M2}Finance Act 1963 in respect of relief under section 385 or 393) after “393” there shall be inserted the words “or 393A(1)”.

(2) In paragraph 3 of that Schedule (duration of leases) in sub-paragraph (1)(b) (sections 24 and 38 to have effect subject to modifications except to extent that section 38 relates to relief under section 385 or 393) after “393” there shall be inserted the words “or 393A(1)”.

Marginal Citations

M2 1963 c. 25.

The Capital Allowances Act 1990 (c. 1)

F17 28

Textual Amendments

F17 Sch. 15 para. 28 repealed (22.3.2001 with effect as mentioned in s. 579(1) of the amending Act) by 2001 c. 2, s. 580, Sch. 4

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