



Corporation Tax Act 2010

2010 CHAPTER 4

[^{F1}PART 8B

TRADING PROFITS TAXABLE AT THE NORTHERN IRELAND RATE

CHAPTER 13

VIDEO GAMES DEVELOPMENT

[^{F1}Video game losses

Textual Amendments

- F1** Pt. 8B inserted (with effect in accordance with s. 5 of the amending Act) by [Corporation Tax \(Northern Ireland\) Act 2015 \(c. 21\), s. 1](#)

357TF Restriction on use of losses while video game in development

- (1) Section 1217DA of CTA 2009 (restriction on use of losses while video game in development) has effect subject as follows.
- (2) The reference in subsection (1) of that section to a loss made in the separate video game trade in a pre-completion period is, if the company is a Northern Ireland company in that period, a reference to—
 - (a) any Northern Ireland losses of the trade of the period, or
 - (b) any mainstream losses of the trade of the period;and references to losses in subsection (2) of that section are to be read accordingly.
- (3) Subsection (4) applies if a Northern Ireland company has, in a pre-completion period—
 - (a) both Northern Ireland losses of the trade and mainstream profits of the trade, or

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Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Cross Heading: Video game losses. (See end of Document for details)

- (b) both mainstream losses of the trade and Northern Ireland profits of the trade.
- (4) The company may make a claim under section 37 (relief for trade losses against total profits) for relief for the losses mentioned in subsection (3)(a) or (b).
- (5) But relief on such a claim is available only—
 - (a) in the case of a claim for relief for Northern Ireland losses, against mainstream profits of the trade of the same period;
 - (b) in the case of a claim for relief for mainstream losses, against Northern Ireland profits of the trade of the same period.
- (6) In this section “a pre-completion period” has the same meaning as in section 1217DA of CTA 2009 (see section 1217D(2) of that Act).

357TG Use of losses in later periods

- (1) Section 1217DB of CTA 2009 (use of losses in later periods) has effect subject as follows.
- (2) The reference in subsection (2) of that section to a loss made in the separate video game trade is, in relation to a loss made in a period in which the company is a Northern Ireland company, a reference to—
 - (a) any Northern Ireland losses of the trade of the period, or
 - (b) any mainstream losses of the trade of the period;
 and references to losses in subsections (3) and (6) of that section are to be read accordingly.
- (3) The reference in subsection (4) of that section to a loss made in the separate video game trade in a relevant later period is, where the company is a Northern Ireland company in the period, a reference to—
 - (a) any Northern Ireland losses of the trade of the period, or
 - (b) any mainstream losses of the trade of the period;
 and references to losses in subsections (5) and (6) of that section are to be read accordingly.
- (4) Subsection (6) of that section has effect, in relation to Northern Ireland losses, as if the reference to an additional deduction under Chapter 3 of Part 15B of that Act included a reference to a Northern Ireland supplementary deduction under this Chapter.

357TH Terminal losses

- (1) Section 1217DC of CTA 2009 (terminal losses) has effect subject as follows.
- (2) Where—
 - (a) a company makes an election under subsection (3) of that section (election to treat terminal loss as loss brought forward of different trade) in relation to all or part of a terminal loss, and
 - (b) the terminal loss is a Northern Ireland loss,
 that subsection has effect as if the reference in it to a loss brought forward were to a Northern Ireland loss brought forward.
- (3) Where—

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- (a) a company makes a claim under subsection (6) of that section (claim to treat terminal loss as loss brought forward by different company) in relation to part or all of a terminal loss, and
 - (b) the terminal loss is a Northern Ireland loss,
- that subsection has effect as if the reference in it to a loss brought forward were to a Northern Ireland loss brought forward.]

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