



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### PART 9

#### LEASING PLANT OR MACHINERY

### CHAPTER 5

#### SALES OF LESSORS: ANTI-AVOIDANCE PROVISIONS

#### **433 Restrictions applying to the restricted loss amount**

- (1) The restrictions in subsections (2), (5) and (6) apply to the restricted loss amount.
- (2) Relief is not to be given to the company under any provision specified in subsection (3) in respect of the restricted loss amount, except by way of set off against any relevant leasing income (see subsection (4)).
- (3) Those provisions are—
  - (a) section 45 (carry forward of [<sup>F1</sup>pre-1 April 2017] trade loss against subsequent trade profits),
  - [<sup>F2</sup>(ab) section 45B (carry forward of post-1 April 2017 trade loss against subsequent trade profits),]
  - (b) section 62 (relief for losses made in UK property business),
  - (c) section 63 (company with investment business ceasing to carry on UK property business),
  - (d) section 66 (relief for losses made in overseas property business), and
  - (e) section 91 (relief for losses from miscellaneous transactions).
- (4) In subsection (2) “relevant leasing income” means any income deriving from any plant or machinery lease which—
  - (a) is not an excluded lease of background plant or machinery for a building (see section 437(3)), and

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*Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 433. (See end of Document for details)*

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- (b) is entered into before the day on which the company is treated as incurring the expense mentioned in section 432(1)(a).
- (5) If the business carried on by the company is a trade, relief is not to be given to the company under section 37 (relief for trade losses against total profits) <sup>F3</sup> or section 45A (carry forward of trade loss against total profits) in respect of the restricted loss amount.
- (6) The restricted loss amount is not available for set off <sup>F4</sup>—
- (a) by way of group relief in accordance with Chapter 2 of Part 5 (surrender of company's losses etc for an accounting period) <sup>F5</sup>, or
- (b) by way of group relief for carried-forward losses in accordance with Chapter 2 of Part 5A (surrender of company's carried forward losses)]

#### Textual Amendments

- F1** Words in s. 433(3)(a) inserted (with effect in accordance with Sch. 4 para. 190 of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 4 para. 167\(3\)\(a\)\(i\)](#)
- F2** S. 433(3)(ab) inserted (with effect in accordance with Sch. 4 para. 190 of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 4 para. 167\(3\)\(a\)\(ii\)](#)
- F3** Words in s. 433(5) inserted (with effect in accordance with Sch. 4 para. 190 of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 4 para. 167\(3\)\(b\)](#)
- F4** Words in s. 433(6) renumbered as s. 433(6)(a) (with effect in accordance with Sch. 4 para. 190 of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 4 para. 167\(3\)\(c\)\(i\)](#)
- F5** S. 433(6)(b) and word inserted (with effect in accordance with Sch. 4 para. 190 of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 4 para. 167\(3\)\(c\)\(ii\)](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 433.