



Corporation Tax Act 2010

2010 CHAPTER 4

PART 4

LOSS RELIEF

CHAPTER 2

TRADE LOSSES

Carry forward of trade loss relief

[^{F1}45A Carry forward of post-1 April 2017 trade loss against total profits

- (1) This section applies if—
 - (a) in an accounting period (“the loss-making period”) beginning on or after 1 April 2017 a company carrying on a trade makes a loss in the trade,
 - (b) relief under section 37 or Part 5 (group relief) is not given for an amount of the loss (“the unrelieved amount”),
 - (c) the company continues to carry on the trade in the next accounting period (“the later period”), and
 - (d) the conditions in subsection (3) are met.
- (2) But this section does not apply if the trade is a ring fence trade.
- (3) The conditions are that—
 - (a) the trade did not become small or negligible in the loss-making period,
 - (b) relief under section 37 was not unavailable for the loss by reason of —
 - (i) section 37(5), 44, 48 or 52, or
 - (ii) section 1209, 1216DA, 1217DA, 1217MA, 1217SA or 1218ZDA of CTA 2009,
 - (c) relief under section 37 would not be unavailable by reason of section 44 for a loss (assuming there was one) made in the trade in the later period,

Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 45A. (See end of Document for details)

- (d) if the company is a Solvency 2 insurance company the loss is not a shock loss (see subsections (9) and (10)), and
 - (e) the later period is not an excluded accounting period of a general insurance company.
- (4) The unrelieved amount is carried forward to the later period.
- (5) The company may make a claim for relief to be given in the later period for the unrelieved amount or for any part of it specified in the claim.
- (6) If the company makes a claim, the relief is given by deducting the unrelieved amount, or the specified part of it, from the company's total profits of the later period.
- (7) A claim under this section must be made—
- (a) within the period of two years after the end of the later period, or
 - (b) within such further period as an officer of Revenue and Customs may allow.
- (8) Relief under this section is subject to restriction or modification in accordance with provisions of the Corporation Tax Acts.
- (9) For the purposes of this section and section 45B, a loss which is partly, but not wholly, a shock loss is to be treated as if—
- (a) the amount that is a shock loss, and
 - (b) the amount that is not,
- were separate losses.
- (10) In this section—
- “excluded accounting period” has the meaning given by section 269ZG;
 - “general insurance company” is to be interpreted in accordance with section 269ZG(6);
 - “ring fence trade” has the same meaning as in Part 8 (see section 277);
 - “Solvency 2 insurance company” means an insurance company as defined in section 269ZP(2);
 - “shock loss” has the meaning given by section 269ZK.]

Textual Amendments

- F1** Ss. 45A-45H 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. 11**

Modifications etc. (not altering text)

- C1** S. 45A(4) applied by 2009 c. 4, s. 1048(4B)-(4D) (as 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. 133(4)

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