



Corporation Tax Act 2010

2010 CHAPTER 4

PART 14

CHANGE IN COMPANY OWNERSHIP

CHAPTER 2

DISALLOWANCE OF TRADING LOSSES

675 Disallowance of trading losses: calculation of balancing charges

- (1) The following provisions apply if relief in respect of the company's losses is restricted because of section 674(2).
- (2) In applying the provisions of CAA 2001 about balancing charges to the company by reference to any event after the change in ownership, there is to be disregarded any allowance falling to be made in taxing the company's trade for any accounting period beginning before the change in ownership.

This subsection applies despite section 577(3) of CAA 2001.

- (3) But subsection (2) does not apply if the allowance has been given effect to by means of relief against any profits of that accounting period or any subsequent accounting period beginning before the change in ownership.
- (4) For the purposes of subsection (3), it is to be assumed that any loss attributable to any such allowance as is mentioned in subsection (2) is relieved before any loss which is not attributable to such an allowance.