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## SCHEDULES

### SCHEDULE 4

#### RELIEF FOR CARRIED-FORWARD LOSSES

#### PART 10

##### NORTHERN IRELAND TRADING LOSSES ETC

96 After section 357JH insert—

*“Loss relief in relation to Northern Ireland profits and losses: Part 5A*

#### **357JHA Availability of relief**

- (1) The reference in section 188BB(1)(a) (group relief for carried-forward losses: surrendering of carried-forward losses and other amounts) to a loss carried forward to an accounting period of a company under section 45A(4) is, where a company has Northern Ireland losses or mainstream losses carried forward to an accounting period under that section, a reference to those Northern Ireland losses or mainstream losses.
- (2) Where—
  - (a) a company makes a claim for group relief for carried-forward losses under Part 5A in relation to a surrenderable amount that is a Northern Ireland loss, and
  - (b) the profits against which the relief is claimed include some profits that are Northern Ireland profits and some that are not,the relief in relation to that surrenderable amount is given first, so far as possible, against the Northern Ireland profits.
- (3) Where—
  - (a) a company makes a claim for group relief for carried-forward losses under Part 5A in relation to a surrenderable amount that is not a Northern Ireland loss, and
  - (b) the profits against which the relief is claimed include some profits that are Northern Ireland profits and some that are not,the relief in relation to that surrenderable amount is given first, so far as possible, against the profits that are not Northern Ireland profits.

#### **357JHB Restriction on deductions**

- (1) Subsection (2) applies where—

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- (a) a company makes a claim for group relief for carried-forward losses under Part 5A in relation to a surrenderable amount that is a Northern Ireland loss (“the loss”),
  - (b) the profits against which the relief is claimed include profits that are not Northern Ireland profits, and
  - (c) at any time during the accounting period for which the relief is claimed (“the profit period”), the Northern Ireland rate is lower than the main rate.
- (2) In section 188CK(2) and (4) (amount of deduction)—
- (a) the reference in paragraph (a) to “an amount equal to” the surrendering company's surrenderable amounts is, so far as those surrenderable amounts comprise the loss, to the restricted deduction for the loss, as determined under section 357JJ (restricted deduction where Northern Ireland rate lower than main rate);
  - (b) the reference in paragraph (b) to “an amount equal to” part of the surrendering company's surrenderable amounts is, so far as that part comprises the loss, to the restricted deduction for the loss, as determined under section 357JJ.

### **357JHC Modifications of Chapter 4 of Part 5A**

- (1) Chapter 4 of Part 5A (limitations on group relief for carried-forward losses: claims under section 188CB) has effect, in relation to a claim under section 188CB in relation to surrenderable amounts that include a Northern Ireland loss, subject to the following provisions of this section.
- (2) In section 188DB(1) (limitation on amount of group relief for carried-forward losses applying to all claims under section 188CB)—
  - (a) paragraphs (a) and (b) are treated as imposing separate limits;
  - (b) the limit in paragraph (a) on the amount of group relief for carried-forward losses to be given on a claim under section 188CB has effect as a limit on the amount of losses and other surrenderable amounts in relation to which relief is to be given on the claim;
  - (c) the limit in paragraph (b) on the amount of group relief for carried-forward losses to be given on a claim under section 188CB has effect as a limit on the amount of the deduction to be made as a result of the claim.
- (3) In section 188DC(6)(b) (unused part of the surrenderable amounts), and in section 188DF(2) so far as it applies in relation to section 188DC, references to the amount of group relief for carried-forward losses given on a claim are to the amount of losses and other surrenderable amounts in relation to which relief is given on the claim.
- (4) In section 188DE(4)(b) (previously claimed group relief for carried-forward losses), and in section 188DF(2) so far as it applies in relation to section 188DE, references to the amount of group relief for carried-forward losses given on a claim are to the amount of the deduction made as a result of the claim.
- (5) In section 188DH (limitation on group relief for carried-forward losses where claim under section 188CB is based on consortium condition 1), the

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limit in subsection (2) on the amount of group relief for carried-forward losses to be given on a claim has effect as a limit on the amount of the deduction to be made as a result of the claim.

- (6) In section 188DL (limitation on group relief for carried-forward losses where claim under section 188CB is made by member of a group of companies)—
- (a) the reference in subsection (3)(a) to the maximum amount of group relief for carried-forward losses that could be claimed by the claimant company has effect as a reference to the maximum amount of the deduction that could be made as a result of claims by the claimant company, and
  - (b) the reference in subsection (3)(b) to the maximum amount of group relief under Part 5 that could be claimed by the claimant company has effect as a reference to the maximum amount of the deduction that could be made as a result of claims by the claimant company.

### **357JHD Modifications of Chapter 5 of Part 5A**

- (1) Chapter 5 of Part 5A (limitations on group relief for carried-forward losses: claims under section 188CC) has effect, in relation to a claim under section 188CC in relation to surrenderable amounts that include a Northern Ireland loss, subject to the following provisions of this section.
- (2) In section 188EB(1) (limitation on amount of group relief for carried-forward losses applying to all claims under section 188CC)—
- (a) paragraphs (a), (b) and (c) are treated as imposing separate limits;
  - (b) the limit in paragraph (a) on the amount of group relief for carried-forward losses to be given on a claim under section 188CC has effect as a limit on the amount of losses and other surrenderable amounts in relation to which relief is to be given on the claim;
  - (c) the limits in paragraphs (b) and (c) on the amount of group relief for carried-forward losses to be given on a claim under section 188CC have effect as limits on the amount of the deduction to be made as a result of the claim.
- (3) In section 188EC(6) and (8)(b) (unused part of the surrenderable amounts attributable to the specified-loss making period), and in section 188EG(2) so far as it applies in relation to section 188EC, references to the amount of group relief for carried-forward losses given on a claim are to the amount of losses and other surrenderable amounts in relation to which relief is given on the claim.
- (4) In section 188EE(4)(b) (previously claimed group relief for carried-forward losses), and in section 188EG(2) so far as it applies in relation to section 188EE, references to the amount of group relief for carried-forward losses given on a claim are to the amount of the deduction made as a result of the claim.
- (5) In section 188EI (condition 4: companies in link company's group), the limit in subsections (2) and (3) on the amount of group relief for carried-forward losses to be given on a claim has effect as a limit on the amount of the deduction to be made as a result on the claim.

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- (6) In section 188EK (condition 3 or 4: surrendering company in group of companies), the reference in subsection (4) to the maximum amount of group relief for carried-forward losses that could be given has effect as a reference to the maximum amount of losses and other surrenderable amounts in relation to which relief could be given.”

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. A1 para. 8(6)(b) omitted by [2022 c. 3 Sch. 1 para. 32\(b\)](#)
- Sch. A1 para. 8(2) substituted by [2022 c. 3 Sch. 1 para. 32\(a\)](#)