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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2020, Paragraph 3. (See end of Document for details)*

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## SCHEDULES

### SCHEDULE 4

#### CORPORATE CAPITAL LOSSES

##### PART 1

#### CORPORATE CAPITAL LOSS RESTRICTION

*Restriction on deduction from chargeable gains: main provisions*

- 3 (1) Section 269ZC (restriction on deductions from non-trading profits) is amended in accordance with this paragraph.
- (2) In subsection (2), for “the relevant maximum” substitute “the difference between—
- (a) the relevant maximum, and
  - (b) the amount of any deductions made by the company for the accounting period under section 2A(1)(b) of TCGA 1992 (allowable losses accruing in earlier accounting periods).”
- (3) For subsection (3) substitute—
- “(3) In this section the “relevant maximum” means the sum of—
- (a) 50% of the company's total relevant non-trading profits for the accounting period, and
  - (b) the amount of the company's total non-trading profits deductions allowance for the accounting period.
- (3A) A company's “total non-trading profits deductions allowance” for the accounting period is the sum of—
- (a) the company's non-trading income profits deductions allowance (see subsection (5)), and
  - (b) the company's chargeable gains deductions allowance (see section 269ZBA(5)).”
- (4) In subsection (4), for “relevant non-trading profits” substitute “total relevant non-trading profits”.
- (5) In subsection (5) for ““non-trading profits deductions allowance””, in both places it occurs, substitute ““non-trading income profits deductions allowance””.
- (6) In subsection (6)—
- (a) in the words before paragraph (a), for ““non-trading profits deductions allowance”” substitute ““non-trading income profits deductions allowance””, and
  - (b) for paragraph (b) substitute—  
“(b) the total of any amounts specified for the period under—

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- (i) section 269ZB(7)(a) (trading profits deductions allowance),
- (ii) section 269ZBA(5)(a) (chargeable gains deductions allowance), and
- (iii) in the case of an insurance company, section 269ZFC(5)(a) (BLAGAB deductions allowance).”

(7) In subsection (8), for “relevant non-trading profits” substitute “ qualifying non-trading income profits and qualifying chargeable gains ”.

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