



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART X

LOSS RELIEF AND GROUP RELIEF

CHAPTER I

LOSS RELIEF: INCOME TAX

Case VI losses

392 Case VI losses

- (1) Where in any year of assessment a person sustains a loss in any transaction, whether he was engaged therein solely or in partnership, being a transaction of such a nature that, if any profits had arisen therefrom, he would have been liable to be assessed to income tax in respect thereof under Case VI of Schedule D, he may make a claim requiring—
 - (a) that the amount of the loss sustained by him shall, as far as may be, be deducted from or set off against the amount of any profits or gains arising from any transaction in respect of which he is assessed for that year under that Case, and
 - (b) that any portion of the loss for which relief is not so given shall, as far as may be, be carried forward and deducted from or set off against the amount of any profits or gains arising from any transaction in respect of which he is assessed to income tax under that Case for any subsequent year of assessment.
- (2) In the application of this section to a loss sustained by a partner in a partnership, “the amount of any profits or gains arising from any transaction in respect of which he is assessed” shall be taken to mean in respect of any year such portion of the amount on which the partnership is assessed under Case VI of Schedule D in respect of any transaction as falls to be taken into account in computing his total income for that year.
- (3) Any relief under this section by way of the carrying forward of the loss shall be given as far as possible from the first subsequent assessment in respect of any profits or

Status: This is the original version (as it was originally enacted).

gains arising from any transaction in respect of which he is assessed under Case VI of Schedule D for any year, and, so far as it cannot be so given, then from the next such assessment, and so on.

- (4) This section does not apply to any loss sustained in a transaction falling within section 34, 35 or 36.
- (5) So far as a claim under this section concerns the amount of the loss for any year of assessment, it must be made within six years after the year of assessment in question; but the question whether any and if so how much relief on that amount should be given under this section against tax for any year of assessment may be the subject of a separate claim made not later than six years after that year of assessment.