

*These notes refer to the Income Tax Act 2007 (c.3)
which received Royal Assent on 20 March 2007*

INCOME TAX ACT 2007

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Schedule 1: Minor and consequential amendments

Part 1: Income and Corporation Taxes Act 1988

Section 573

3179. This section provides relief for an investment company which incurs an allowable loss for the purposes of corporation tax on chargeable gains on the disposal of shares in a qualifying trading company. If the conditions of the section are met, the amount of the allowable loss may be set off against income for the purposes of corporation tax. This section is supplemented by sections 575 and 576 of ICTA.
3180. Section 573(4) provides in part that, if relief for an allowable loss is obtained by a company under the section by set off against income for corporation tax purposes, no deduction is to be made for the loss for the purposes of corporation tax on chargeable gains.
3181. This amendment omits that provision. The equivalent provision in section 574(1) of ICTA has not been included in Chapter 6 of Part 4. Instead section 125A(1) of TCGA, introduced by this Schedule, contains both provisions.