

*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

Part 4: Loss relief

Overview

Chapter 2: Trade losses

Overview

Section 68: Reasonable expectation of profit

264. This section sets out the “reasonable expectation of profit” test which, if met, prevents relief being restricted under section 67. It is based on section 397(3) and (5) of ICTA.