



Income Tax Act 2007

2007 CHAPTER 3

PART 4

LOSS RELIEF

CHAPTER 2

TRADE LOSSES

Wholly foreign trades

95 Foreign trades etc: reliefs only against foreign income

- (1) This section applies if a person—
 - (a) carries on a trade, profession or vocation wholly outside the United Kingdom, and
 - (b) makes a loss in the trade, profession or vocation.
- (2) In that case—
 - (a) sideways relief for the loss is available only against the person's qualifying foreign income,
 - (b) trade income relief for the loss is available only against the person's qualifying foreign trade income, and
 - (c) section 261B of TCGA 1992 (use of trading loss as a CGT loss) does not apply in relation to the loss.
- (3) “Trade income relief” means—
 - (a) carry-forward trade loss relief, or
 - (b) terminal trade loss relief.
- (4) “Qualifying foreign income” means—
 - (a) qualifying foreign trade income, or

Status: Point in time view as at 19/12/2012.

Changes to legislation: There are currently no known outstanding effects for the Income Tax Act 2007, Section 95. (See end of Document for details)

- (b) income falling within section 23, 355, 575, 613, 615, 631 or 635 of ITEPA 2003 (foreign employment or pension income).
- (5) “Qualifying foreign trade income” means the profits of any trade, profession or vocation carried on wholly outside the United Kingdom.
- (6) But “qualifying foreign income” and “qualifying foreign trade income” do not include any income which is charged to income tax in accordance with section 832 of ITTOIA 2005 (relevant foreign income charged on the remittance basis).

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