



Finance Act 2009

2009 CHAPTER 10

PART 2

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

Miscellaneous anti-avoidance provisions

62 Transfers of trade to obtain terminal loss relief

- (1) In section 393A of ICTA (set off of losses against profits of same or earlier accounting period), after subsection (2D) insert—

“(2E) But subsection (2A) above does not apply by reason of a company ceasing to carry on a trade if—

- (a) on the company ceasing to carry on the trade, any of the activities of the trade begin to be carried on by a person who is not (or by persons any or all of whom are not) within the charge to corporation tax, and
- (b) the company’s ceasing to carry on the trade is part of a scheme or arrangement the main purpose, or one of the main purposes, of which is to secure that subsection (2A) above applies to a loss by reason of the cessation.”

- (2) The amendment made by subsection (1) has effect in relation to cessations of a trade on or after 21 May 2009.