



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### [<sup>F1</sup>PART 7A

#### BANKING COMPANIES

### CHAPTER 3

#### RESTRICTIONS ON OBTAINING CERTAIN DEDUCTIONS

##### *Losses to which restrictions do not apply*

#### [<sup>F1</sup>269C] **Losses arising in company's start-up period**

- (1) References in this Chapter to a pre-2015 carried-forward trading loss do not include a loss which was made in a trade of a company in an accounting period ending in the company's start-up period.
- (2) References in this Chapter to a pre-2015 carried-forward non-trading deficit do not include a non-trading deficit which a company had from its loan relationships under section 301(6) of CTA 2009 for an accounting period ending in the company's start-up period.
- (3) References in this Chapter to pre-2015 carried-forward management expenses, in relation to a company, do not include—
  - (a) any amounts falling within section 269CC(5) which—
    - (i) for the purposes of Chapter 2 of Part 16 of CTA 2009 are referable to an accounting period ending in the company's start-up period, or
    - (ii) in the case of qualifying charitable donations, were made in such an accounting period, or
  - (b) any amounts of loss falling within section 269CC(6) which were made in an accounting period ending in the company's start-up period.

---

*Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 269CF. (See end of Document for details)*

---

- (4) For the purposes of this Chapter any amounts which, by virtue of subsections (1) to (3), are not relevant carried-forward losses of a company are to be regarded as having been taken into account in determining the taxable total profits of the company for accounting periods ending before 1 April 2015 before any amounts which are relevant carried-forward losses of the company.
- (5) Subsection (6) applies where a company has an accounting period (“the straddling period”) beginning before, and ending after, the last day of its start-up period.
- (6) For the purposes of this section—
- (a) so much of the straddling period as falls within the start-up period, and so much of the straddling period as falls outside the start-up period, are treated as separate accounting periods, and
  - (b) any relevant carried-forward losses of the company for the straddling period are apportioned to the two separate accounting periods—
    - (i) in accordance with section 1172 (time basis), or
    - (ii) if that method would produce a result that is unjust or unreasonable, on a just and reasonable basis.
- (7) In subsection (6)(b) the reference to any relevant carried-forward losses of the company “for” the straddling period is a reference to—
- (a) any pre-2015 carried-forward trading loss which was made in a trade of the company in the straddling period,
  - (b) any pre-2015 carried-forward non-trading deficit which the company had from its loan relationships for the straddling period, and
  - (c) any pre-2015 carried-forward management expenses which are referable to, or were made in, the straddling period (as the case may be).
- (8) For provision about determining a company's start-up period, see section 269CG.]

---

**Textual Amendments**

**F1** Pt. 7A inserted (with effect in accordance with Sch. 2 para. 7-9 of the amending Act) by [Finance Act 2015 \(c. 11\)](#), [Sch. 2 para. 1](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 269CF.