



Corporation Tax Act 2010

2010 CHAPTER 4

PART 22

MISCELLANEOUS PROVISIONS

CHAPTER 1

TRANSFERS OF TRADE WITHOUT A CHANGE OF OWNERSHIP

Effect of Chapter in relation to transfers to which it applies

[^{F1}944A Modified application of section 45A

- (1) Subsection (2) applies if—
 - (a) this Chapter applies to a transfer of a trade,
 - (b) the transferred trade is not a ring fence trade,
 - (c) the predecessor made a loss in the transferred trade in the accounting period in which it ceased to carry it on,
 - (d) that accounting period began on or after 1 April 2017,
 - (e) relief for an amount of that loss is not given under section 37 or Part 5,
 - (f) relief under section 37 was not unavailable for that loss by reason of a provision mentioned in section 45A(3)(b)(i) or (ii), and
 - (g) relief under section 37 would not be unavailable by reason of section 44 for a loss (assuming there was one) made by the successor in the transferred trade in the accounting period in which the successor begins to carry on the transferred trade (“the successor's start-up accounting period”).
- (2) Subsections (4) to (8) of section 45A (carry-forward of post-1 April 2017 trade loss against total profits) apply as if—
 - (a) references to the unrelieved amount were to the amount referred to in subsection (1)(e),

Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 944A. (See end of Document for details)

- (b) references to the later period were to the successor's start-up accounting period, and
 - (c) references to the company were to the successor.
- (3) Subsection (4) applies if—
- (a) this Chapter applies to a transfer of a trade,
 - (b) an amount of a loss made in the transferred trade was carried forward under section 45A(4) to the accounting period of the predecessor in which the predecessor ceased to carry on the trade,
 - (c) any of that amount was not deducted from the predecessor's total profits on a claim under section 45A(5) or surrendered by the predecessor by way of group relief for carried-forward losses under Part 5A, and
 - (d) relief under section 37 would not be unavailable by reason of section 44 for a loss (assuming there was one) made by the successor in the transferred trade in the accounting period in which the successor begins to carry on the transferred trade (“the successor's start-up accounting period”).
- (4) Subsections (4) to (8) of section 45A apply as if—
- (a) references to the unrelieved amount were to so much of the amount referred to in subsection (3)(b) as was not deducted or surrendered as mentioned in subsection (3)(c),
 - (b) references to the later period were to the successor's start-up accounting period, and
 - (c) references to the company were to the successor.
- (5) In this section “ring fence trade” has the same meaning as in Part 8 (see section 277).]

Textual Amendments

F1 Ss. 944A-944E inserted (with effect in accordance with Sch. 4 para. 190 of the amending Act) by Finance (No. 2) Act 2017 (c. 32), **Sch. 4 para. 65**

Changes to legislation:

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 944A.