

## SCHEDULES

### SCHEDULE 4

#### RELIEF FOR CARRIED-FORWARD LOSSES

#### PART 12

##### COMMENCEMENT ETC

##### *Transitional provision*

- 194 (1) An amount of a non-trading deficit from a company's loan relationships which is carried forward under section 463H of CTA 2009 is to be disregarded for the purposes of section 730F of CTA 2010 (as amended by paragraph 69(4)), unless it is a post-13 July 2017 amount.
- (2) An amount of a non-trading deficit from a company's loan relationships which is deducted under section 463H(5) of CTA 2009 is to be disregarded for the purposes sections 188DD and 188ED of CTA 2010, unless it is a post-13 July 2017 amount.
- (3) For the purposes of this paragraph an amount of a non-trading deficit from a company's loan relationships ("the deficit amount") is a post-13 July 2017 amount—
- (a) if the deficit period begins on or after 13 July 2017 or,
  - (b) (where the deficit period is one that begins before, and ends on or after 13 July 2017 (a "straddling deficit period")), so far as the deficit is apportioned under sub-paragraphs (4) and (5) to the part of the deficit period that begins with 13 July 2017.
- (4) For the purposes of sub-paragraph (3)(b)—
- (a) a straddling deficit period is to be treated as consisting of two parts, namely the part that precedes, and the part that begins with, 13 July 2017,
  - (b) the deficit amount is to be apportioned to those parts (see sub-paragraph (5)).
- (5) The apportionment is to be made—
- (a) in accordance with section 1172 of CTA 2010 (time basis), or
  - (b) if that method would produce a result that is unjust or unreasonable, on a just and reasonable basis.
- (6) In this paragraph "deficit period" is to be interpreted in accordance with section 463A(2) of CTA 2009.