

# SCHEDULES

## SCHEDULE 5

### NON-UK RESIDENT COMPANIES CARRYING ON UK PROPERTY BUSINESSES ETC

#### PART 3

##### COMMENCEMENT AND TRANSITIONAL PROVISIONS

###### *Transitional provisions*

- 39 (1) This paragraph applies if—
- (a) on or after the commencement date a loss arises in connection with a loan relationship of a company,
  - (b) the loss is wholly or partly referable to a time before the commencement date (“the pre-commencement time”), and
  - (c) had the loss arisen at the pre-commencement time it would have been brought into account in accordance with Part 3 of ITTOIA 2005 in calculating the profits of the UK property business of the company.
- (2) Section 327 (disallowance of imported losses etc) does not apply in relation to so much of the loss as is referable to the pre-commencement time.