

SCHEDULES

SCHEDULE 4

CORPORATE CAPITAL LOSSES

PART 3

COMMENCEMENT AND ANTI-FORESTALLING PROVISION

Anti-forestalling provision

- 46 (1) This sub-paragraph applies if—
- (a) a company has an accounting period ending before 1 April 2020,
 - (b) the company would, apart from this paragraph, obtain a tax advantage as a result of a deduction, or an increased deduction, under section 2A(1)(b) of TCGA 1992,
 - (c) the tax advantage arises as a result of arrangements entered into on or after 29 October 2018, and
 - (d) the main purpose, or one of the main purposes, of the arrangements is to secure a tax advantage as a result of the fact that section 269ZBA of CTA 2010, inserted by this Schedule, is not to have effect for the accounting period for which the deduction would be made.
- (2) If sub-paragraph (1) applies, the deductions made by the company for the accounting period under section 2A(1)(b) of TCGA 1992 may not exceed 50% of the company's qualifying chargeable gains for the period.
- (3) So far as necessary for the purposes of this paragraph, Part 7ZA of CTA 2010 is treated as having come into force on the same day as this paragraph.
- (4) This paragraph is treated as having come into force on 29 October 2018.
- (5) Where a company has a straddling period, the pre-commencement period and the post-commencement period are treated for the purposes of this paragraph as separate accounting periods.
- (6) In this paragraph—
- (a) “arrangements” includes any agreement, understanding, scheme transaction or series of transactions (whether or not legally enforceable),
 - (b) “straddling period”, “pre-commencement period” and “post-commencement period” have the same meaning as they have for the purposes of paragraph 44, and
 - (c) “tax advantage” has the meaning given by section 1139 of CTA 2010.