
*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 2020, PART 2. (See end of Document for details)*

SCHEDULES

SCHEDULE 4

CORPORATE CAPITAL LOSSES

PART 2

CORPORATE CAPITAL LOSS DEDUCTIONS: MISCELLANEOUS PROVISION

Companies without a source of chargeable income: carry back of losses

39 In section 2A of TCGA 1992 (company's total profits to include chargeable gains), after subsection (2) insert—

“(3) Subsection (4) applies if—

- (a) a company has two or more accounting periods that fall wholly within the same financial year,
- (b) the company is chargeable to corporation tax for each of those accounting periods only because of a chargeable gain accruing to the company on the disposal of asset, and
- (c) in the period (if any) between each of those accounting periods, the company is not within the charge to corporation tax.

(4) For the purposes of determining the amount of chargeable gains to be included in the company's total profits for each of the accounting periods by reference to which this subsection applies, subsection (1) has effect as if after paragraph (a) (before the “and”) there were inserted—

“(aa) so far as not otherwise deducted under this section, any allowable losses accruing to the company in another accounting period that falls wholly within the same financial year as the period mentioned in paragraph (a),”.

Insurance companies: minor amendments to TCGA 1992 and FA 2012

40 In section 210A of TCGA 1992, in subsection (10C), for the words from “In determining” to “an accounting period” substitute “ For the purposes of subsections (10A) and (10B) ”.

41 In section 93 of FA 2012 (minimum profits test), at the end insert—

“(6) For the purposes of this section, assume that non-BLAGAB allowable losses cannot be deducted to any extent from BLAGAB chargeable gains (and, accordingly, assume that section 95 is not included in this Act).”

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