

*These notes refer to the Income Tax Act 2007 (c.3)
which received Royal Assent on 20 March 2007*

INCOME TAX ACT 2007

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 4: Loss relief

Overview

Chapter 3: Restrictions on trade loss relief for certain partners

Overview

Section 109: Unrelieved losses brought forward

361. This section specifies how the amount of any loss, which could not be relieved because of section 107, may be brought forward for use in a later tax year in which the individual continues to carry on the trade as a member of an LLP. It is based on sections 118ZD and 118ZM(8) of ICTA.
362. The section treats the unrelieved loss as a trading loss of the later tax year, unless it is an excluded loss (see *subsection (3)*).
363. The interaction between section 72 of FA 1991 and section 117 of ICTA is made explicit in section 107, to which this section refers. See *Change 13* in Annex 1.