



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 4

#### LOSS RELIEF

### CHAPTER 7

#### LOSSES FROM MISCELLANEOUS TRANSACTIONS

##### *Loss relief against miscellaneous income*

#### **153 How relief works**

This section explains how the deductions are to be made.

The amount of the loss to be deducted at any step is limited in accordance with section 25(4) and (5).

##### *Step 1*

Deduct the loss from the miscellaneous income for the loss-making year.

##### *Step 2*

Deduct from the miscellaneous income for the next tax year the amount of the loss not previously deducted.

##### *Step 3*

Continue to apply Step 2 in relation to miscellaneous income for subsequent tax years until all the loss is deducted.