



Income Tax Act 2007

2007 CHAPTER 3

PART 4

LOSS RELIEF

CHAPTER 2

TRADE LOSSES

Restriction on relief for “hobby” farming or market gardening

67 Restriction on relief in case of farming or market gardening

- (1) This section applies if a loss is made in a trade of farming or market gardening in a tax year (“the current tax year”).
- (2) Trade loss relief against general income is not available for the loss if a loss, calculated without regard to capital allowances, was made in the trade in each of the previous 5 tax years (see section 70).
- (3) This section does not prevent relief for the loss from being given if—
 - (a) the carrying on of the trade forms part of, and is ancillary to, a larger trading undertaking,
 - (b) the farming or market gardening activities meet the reasonable expectation of profit test (see section 68), or
 - (c) the trade was started, or treated as started, at any time within the 5 tax years before the current tax year (see section 69 below, as well as section 17 of ITTOIA 2005).

Modifications etc. (not altering text)

C1 Ss. 66-70 applied (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 6 para. 1\(11\)\(a\)](#)

Status: Point in time view as at 10/06/2021.

Changes to legislation: There are currently no known outstanding effects for the Income Tax Act 2007, Section 67. (See end of Document for details)

C2 Ss. 66-70 applied (10.6.2021) by Finance Act 2021 (c. 26), Sch. 2 para. 3(1)(a)

Status:

Point in time view as at 10/06/2021.

Changes to legislation:

There are currently no known outstanding effects for the Income Tax Act 2007, Section 67.