



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 4

#### LOSS RELIEF

### CHAPTER 2

#### TRADE LOSSES

#### *Carry-forward trade loss relief*

#### **84 How relief works**

This section explains how the deductions are to be made. The amount of the unrelieved loss to be deducted at any step is limited in accordance with section 25(4) and (5).

##### *Step 1*

Deduct the unrelieved loss from the profits of the trade of the next tax year.

##### *Step 2*

Deduct from the profits of the trade of the following tax year the amount of the unrelieved loss not previously deducted.

##### *Step 3*

Continue to apply Step 2 in relation to the profits of the trade of subsequent tax years until all the unrelieved loss is deducted.

**Status:**

Point in time view as at 06/04/2007.

**Changes to legislation:**

There are currently no known outstanding effects for the Income Tax Act 2007, Section 84.