



Corporation Tax Act 2010

2010 CHAPTER 4

PART 4

LOSS RELIEF

CHAPTER 2

TRADE LOSSES

Trade loss relief against total profits

40 Ring fence trades: extension of periods for which relief may be given

- (1) This section applies if—
- in an accounting period a company makes a loss in a ring fence trade (as defined in section 162 of CAA 2001),
 - the accounting period is an accounting period [^{F1}for which any allowances under section 164 or 403 of CAA 2001 are made to the company in respect of decommissioning expenditure], and
 - not all the loss is a terminal loss (see section 39(3) above).
- (2) Sections 37(3)(b) and 38(1) and (3) have effect in relation to the loss (so far as it is not a terminal loss) as if the references to 12 months were references to 3 years.
- (3) But if the loss exceeds [^{F2}the sum of the allowances] mentioned in subsection (1)(b), subsection (2) applies in relation to the loss only so far as it does not exceed [^{F3}that amount].

[^{F4}(3A) In this section “decommissioning expenditure” has the meaning given by section 330C.]

- (4) This section is subject to section 41.

Status: Point in time view as at 17/07/2012. This version of this provision has been superseded.

Changes to legislation: Corporation Tax Act 2010, Section 40 is up to date with all changes known to be in force on or before 09 August 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

- F1** Words in s. 40(1)(b) substituted (with effect in accordance with Sch. 21 para. 6 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 21 para. 5\(2\)](#)
- F2** Words in s. 40(3) substituted (with effect in accordance with Sch. 21 para. 6 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 21 para. 5\(3\)\(a\)](#)
- F3** Words in s. 40(3) substituted (with effect in accordance with Sch. 21 para. 6 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 21 para. 5\(3\)\(b\)](#)
- F4** S. 40(3A) inserted (with effect in accordance with Sch. 21 para. 6 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 21 para. 5\(4\)](#)

Status:

Point in time view as at 17/07/2012. This version of this provision has been superseded.

Changes to legislation:

Corporation Tax Act 2010, Section 40 is up to date with all changes known to be in force on or before 09 August 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.