



Corporation Tax Act 2009

2009 CHAPTER 4

PART 8

INTANGIBLE FIXED ASSETS

CHAPTER 2

CREDITS IN RESPECT OF INTANGIBLE FIXED ASSETS

725 Reversal of previous accounting loss

- (1) This section applies if—
 - (a) in a period of account a gain is recognised in determining the company's profit or loss (“the recognised gain”),
 - (b) the gain wholly or partly reverses a loss recognised in a previous period of account (“the reversed loss”), and
 - (c) a debit was brought into account for tax purposes under Chapter 3 (debits in respect of intangible fixed assets) in respect of that loss (“the tax debit”).
- (2) A corresponding credit must be brought into account for tax purposes.
- (3) The amount of the credit is—

$$RG \times \frac{D}{RL}$$

where—

RG is the recognised gain,

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Corporation Tax Act 2009. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

D is the tax debit, and

RL is the reversed loss.

- (4) This section does not apply to a gain on a revaluation within the meaning of section 723 (see subsection (5) of that section).

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 322(2A)(zb) inserted by [2016 c. 24 s. 73\(5\)](#)
- s. 934(1A)(1B) inserted by [2023 c. 30 Sch. 2 para. 12\(2\)](#)
- s. 962(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(5\)\(b\)](#)
- s. 962A(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(6\)\(b\)](#)
- s. 963(1A) inserted by [2023 c. 30 Sch. 2 para. 12\(7\)\(a\)](#)
- s. 1058B(5)(ea) inserted by [2023 c. 20 Sch. para. 57](#)
- s. 1094(2A)-(2C) inserted by [2012 c. 14 Sch. 3 para. 13\(3\)](#)
- s. 1106(4A)-(4C) inserted by [2012 c. 14 Sch. 3 para. 14\(3\)](#)
- s. 1138A applied by [S.I. 2024/348 reg. 3](#)