

Status: This version of this cross heading contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 3) Act 2010, Paragraph 7. (See end of Document for details)

SCHEDULES

SCHEDULE 9

INTEREST

PART 1

CORPORATION TAX

PROSPECTIVE

Amendments of Schedule 53

7 In Part 1 (special provision as to amount carrying late payment interest), after paragraph 2 insert—

“Carry back of losses etc

- 2A (1) This paragraph applies where—
- (a) a company has profits arising in an accounting period (“the earlier period”),
 - (b) there is for a later accounting period (“the later period”) a non-trading deficit on the company's loan relationships,
 - (c) as a result of a claim under section 389(1) or 459(1)(b) of CTA 2009, the whole or part of the deficit for the later period is set off against the profits of the earlier period, and
 - (d) if the claim had not been made, there would be an amount or an additional amount of corporation tax for the earlier period which would carry late payment interest.
- (2) For the purposes of section 101, the amount mentioned in sub-paragraph (1) (d) is to be taken to be an amount that is due and payable as corporation tax for the earlier period.
- (3) But late payment interest which is payable by virtue of sub-paragraph (2) runs only until the day following the expiry of 9 months from the end of the later period.
- 2B (1) This paragraph applies where—
- (a) a company has profits arising in an accounting period (“the earlier period”),
 - (b) the company incurs a loss in a later accounting period (“the later period”),
 - (c) on a claim under section 37 of CTA 2010, the whole or any part of the loss incurred in the later period has been set off (whether under

Status: This version of this cross heading contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 3) Act 2010, Paragraph 7. (See end of Document for details)

- section 37 or 42 of that Act) for the purposes of corporation tax against the profits of the earlier period,
- (d) the earlier period does not fall wholly within the period of 12 months immediately preceding the later period, and
 - (e) if the claim had not been made, there would be an amount or additional amount of corporation tax for the earlier period which would carry late payment interest.
- (2) For the purposes of section 101, the amount mentioned in sub-paragraph (1) (e) is to be taken to be an amount that is due and payable as corporation tax for the earlier period.
- (3) But late payment interest which is payable by virtue of sub-paragraph (2) runs only until the day following the expiry of 9 months from the end of the later period.
- 2C (1) This paragraph applies where—
- (a) a company is liable to corporation tax for an accounting period (“the earlier period”),
 - (b) in a later accounting period of the company (“the later period”), an excess arises as described in section 72 of TIOPA 2010 (amounts of unrelieved foreign tax),
 - (c) on a claim under section 77 of that Act, credit for the whole or any part of the excess is allowed against corporation tax in respect of the earlier period, and
 - (d) if the claim had not been made, there would be an amount or additional amount of corporation tax for the earlier period which would carry late payment interest.
- (2) For the purposes of section 101, the amount mentioned in sub-paragraph (1) (d) is to be taken to be an amount that is due and payable as corporation tax for the earlier period.
- (3) But late payment interest which is payable by virtue of sub-paragraph (2) runs only until the day following the expiry of 9 months from the end of the later period.
- (4) This paragraph does not apply where paragraph 2D applies.
- 2D (1) This paragraph applies where—
- (a) a company carrying on a trade has profits (of whatever description) arising in an accounting period (“the middle period”),
 - (b) the company incurs a loss in a later accounting period (“the later period”),
 - (c) on a claim under section 37 of CTA 2010, the whole or any part of the loss incurred in the later period has been set off (whether under section 37 or 42 of that Act) for the purposes of corporation tax against the profits of the middle period,
 - (d) the middle period does not fall wholly within the period of 12 months immediately preceding the later period,
 - (e) as a result of the claim under section 37, an excess or increased excess arises in the middle period as described in section 72 of TIOPA 2010 (amounts of unrelieved foreign tax),

Status: This version of this cross heading contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 3) Act 2010, Paragraph 7. (See end of Document for details)

- (f) on a claim under section 77 of that Act, credit for the whole or any part of the excess is allowed against corporation tax in respect of an accounting period before the middle period (“the earlier period”), and
 - (g) if the claim had not been made, there would be an amount or additional amount of corporation tax for the earlier period which would carry late payment interest.
- (2) For the purposes of section 101, the amount mentioned in sub-paragraph (1) (g) is to be taken to be an amount that is due and payable as corporation tax for the earlier period.
- (3) But late payment interest which is payable by virtue of sub-paragraph (2) runs only until the day following the expiry of 9 months from the end of the later period.”

Status:

This version of this cross heading contains provisions that are prospective.

Changes to legislation:

There are currently no known outstanding effects for the Finance (No. 3) Act 2010, Paragraph 7.