

## 1 Surcharge on banking companies: transferred-in losses

- (1) Chapter 4 (surcharge on banking companies) of Part 7A of CTA 2010 is amended as follows.
- (2) In section 269D (overview of Chapter), after subsection (4) insert –
  - “(4A) Section 269DCA defines “non-banking transferred-in loss relief” for the purposes of calculating a company’s surcharge profits.”
- (3) In section 269DA (surcharge on banking companies), in subsection (2) (calculation of “surcharge profits”) –
  - (a) in the formula, after “NBPLR +” insert “NBILR +”;
  - (b) after the definition of “NBPLR” insert –
    - ““NBILR” is the amount (if any) of non-banking transferred-in loss relief (see section 269DCA);”.
- (4) In section 269DC (meaning of “non-banking or pre-2016 loss relief”) –
  - (a) in subsection (13) (meaning of “a non-banking or pre-2016 carried-forward capital loss”) –
    - (i) in paragraph (a), omit “or as a result of a non-banking loss transfer”;
    - (ii) in paragraph (b), for “8(1)(b)” substitute “2A(1)(b)”;
  - (b) omit subsections (14) and (15) (meaning of “non-banking loss transfer” and “non-banking company”).
- (5) After section 269DC insert –

### “269DCA Meaning of “non-banking transferred-in loss relief”

- (1) In section 269DA(2), “non-banking transferred-in loss relief” means the sum of any amounts that are deducted under section 2A of TCGA 1992 in determining the taxable total profits of the company of the chargeable accounting period in respect of an allowable loss, or any part of an allowable loss, that accrued to the company as a result of a non-banking loss transfer.
- (2) A “non-banking loss transfer” is a transfer to the company of the whole or any part of an allowable loss, by an election under section 171A of TCGA 1992 (reallocation within group), from a non-banking company.
- (3) In this section “non-banking company” means a company that is not a banking company at the time that the allowable loss, or such part of it as the election transfers, is treated as accruing by virtue of the election (see, in particular, section 171B(3) of TCGA 1992).”
- (6) The amendments made by this section have effect in relation to an allowable loss, or any part of an allowable loss, deducted from a chargeable gain accruing on a disposal made on or after 11 March 2020.