

Treatment of losses. FA92 s78 687.—(1) Notwithstanding sections 381 and 396 (2)—

(a) as respects a loss incurred by a person in a petroleum trade, relief shall not be given—

(i) under section 381 against any income other than income arising from petroleum activities, or

(ii) under section 396 (2) against any profits other than petroleum profits,

and

(b) as respects any loss, other than a loss incurred in a petroleum or a mining trade, incurred by a person, relief shall not be given—

(i) under section 381 against income arising from petroleum activities, or

(ii) under section 396 (2) against petroleum profits.

(2) Notwithstanding sections 383 and 399 (1), the amount of any income of a person which is within the charge to tax under Case IV of Schedule D, and which is income arising from petroleum activities, shall not be reduced by the amount of any loss which may be relieved under section 383 or 399 (1), other than a loss incurred in petroleum activities, and the amount of any loss so incurred shall not be treated under either of those sections as reducing the amount of any income other than income arising from petroleum activities.

(3) Notwithstanding sections 305 (1)(b) and 308 (4), a capital allowance which is to be given by discharge or repayment of tax, or in charging income under Case V of Schedule D, shall not to any extent be given effect—

(a) under section 305 against income arising from petroleum activities, or

(b) under section 308(4) against petroleum profits.