

Terminal loss. ITA67 s311 385.—(1) Where a trade or profession is permanently discontinued, and any person carrying on the trade or profession either solely or in partnership immediately before the time of the discontinuance has sustained in the trade or profession a loss to which this section applies (in this Chapter referred to as a “terminal loss”), then, subject to sections 386 to 389, that person may claim for the purposes of the Income Tax Acts that the amount of the terminal loss shall, as far as may be, be deducted from or set off against the amount of profits or gains on which that person has been charged to income tax under Schedule D in respect of the trade or profession for the 3 years of assessment last preceding that in which the discontinuance occurs, and there shall be made all such amendments of assessments or repayments of tax as may be necessary to give effect to the claim.

(2) Relief shall not be given in respect of the same matter both under this section and under any other provision of the Income Tax Acts.

(3) Any relief under this section shall be given as far as possible from the assessment for a later rather than an earlier year.