**CARRY FORWARD AND SET OFF OF LOSSES.**

| Sr. No. | Type of Loss to be forward to next year(s) | Income against which loss can be set off in same year | Income against which carried forward loss can be set off in next year(s) | For how many year loss can be carried forward | Should the business continued | It is necessary to submit return of loss in time |
|---|---|---|---|---|---|---|
| 1. | House property loss | Any Income | House property income | 8 | NA | No |
| 2. | Speculation loss | Speculation profits | Speculation profits | 4 | Not necessary | Yes |
| 3. | Unabsorbed depreciation | Any Income | Any Income but other than Salary | No time limit | Not necessary | No |
| 4. | Other business Loss | Any Income except Salary | Any business Profit | 8 | Not necessary | Yes |
| 5. | Short term-capital Loss | Any Capital gain | Any Capital gain | 8 | Not necessary | Yes |
| 6. | Long term capital Loss | Long term capital gain | Long term capital gain | 8 | Not necessary | Yes |
| 7. | Horse race | Horse race | Horse race | 4 | Yes | Yes |
| 8. | Other sources | Any Income except lottery, Horse race | No | NA | NA | NA |

**Note-**

**1) Loss can not be setoff against winning from lotteries, crossword puzzles, etc.**

**2) Loss from purchase and sale of securities**

(*a*)any person buys or acquires any units within a period of three months prior to the record date;

(*b*)such person is allotted additional units without any payment on the basis of holding of such units on such date;

(*c*)such person sells or transfers all or any of the units referred to in clause (*a*) within a period of nine months after such date, while continuing to hold all or any of the additional units referred to in clause (*b*), then, the loss, if any, arising to him on account of such purchase and sale of all or any of such units shall be ignored for the purposes of computing his income chargeable to tax and notwithstanding anything contained in any other provision of this Act, the amount of loss so ignored shall be deemed to be the cost of purchase or acquisition of such additional units referred to in clause (*b*) as are held by him on the date of such sale or transfer.