

## SCHEDULES

### SCHEDULE 3

#### TAINTED CHARITY DONATIONS

#### PART 4

#### CONSEQUENTIAL AMENDMENTS

##### *Capital Allowances Act 2001*

- 4 In section 63 of CAA 2001 (cases in which disposal value is nil), in subsection (4)—
- (a) after “Subsection (2)” insert “—  
(a)”,  
and
  - (b) at the end insert “, and  
(b) is subject to section 809ZM of ITA 2007 and section 939F of CTA 2010 (removal of tax relief in respect of tainted charity donations etc).”

##### *Income Tax (Employment and Pensions) Act 2003*

- 5 In section 713 of ITEPA 2003 (donations to charity: payroll deduction scheme), after subsection (5) insert—
- “(6) This section is subject to section 809ZM of ITA 2007 (removal of income tax relief in respect of tainted charity donations etc).”

##### *Income Tax (Trading and Other Income) Act 2005*

- 6 In section 108 of ITTOIA 2005 (gifts of trading stock to charities etc), in subsection (5)—
- (a) after “This section” insert “—  
(a)”,  
and
  - (b) at the end insert “, and  
(b) is subject to section 809ZM of ITA 2007 (removal of income tax relief in respect of tainted charity donations etc).”

##### *Income Tax Act 2007*

- 7 ITA 2007 is amended as follows.
- 8 In section 30 (calculation of income tax liability: additional tax)—

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*Status: This is the original version (as it was originally enacted).*

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- (a) in subsection (1) before the entry for section 205 of FA 2004 insert—  
“section 809ZN (tainted gift aid donations: charge to tax),  
section 809ZO (tainted charity donations by trustees: charge to tax),”,  
and
- (b) for subsection (2) substitute—  
“(2) If the taxpayer is a trustee, the provisions referred to at Step 7 of  
the calculation in section 23 are—  
section 496 (discretionary payments by trustees: tax pool  
adjustment),  
section 809ZN (tainted gift aid donations: charge to tax), and  
section 809ZO (tainted charity donations by trustees: charge  
to tax).”
- 9 In section 58 (meaning of “adjusted net income), at the end insert—  
“(4) Subsection (6) of section 809ZM (removal of income tax relief in respect  
of tainted donations etc) excludes certain donations from being deducted at  
step 2 in subsection (1).”
- 10 In section 413 (gift aid: overview of Chapter), after subsection (4) insert—  
“(4A) This Chapter is subject to section 809ZM (removal of income tax relief in  
respect of tainted charity donations etc).”
- 11 In section 431 (gifts of shares, securities and real property to charities etc), after  
subsection (6) insert—  
“(7) This Chapter is subject to section 809ZM (removal of income tax relief in  
respect of tainted charity donations etc).”
- 12 In section 543 (meaning of “non-charitable expenditure”), omit subsection (1)(g) and  
(h).
- 13 Sections 549 to 557 (substantial donor transactions) are repealed.
- 14 In Schedule 2 (transitionals and savings), omit paragraphs 105 and 106.
- 15 In Schedule 4 (index of defined expressions), at the appropriate places insert—
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|--|---|
| “arrangements (in Chapter 8 of Part 13)                  | section 809ZR”  |
| “charity (in Chapter 8 of Part 13)                       | paragraph 1 of<br>Schedule 6 to FA<br>2010 (and see also<br>section 809ZR)” |
| “the donor (in Chapter 8 of Part 13)                     | section 809ZJ(3)”   |
| “potentially advantaged person (in Chapter 8 of Part 13) | section 809ZJ(5)”   |
| “relievable charity donation (in Chapter 8 of Part 13)   | section 809ZI(1)”   |
| “tainted donation (in Chapter 8 of Part 13)              | section 809ZJ”.   |
- Housing and Regeneration Act 2008*
- 16 In Schedule 9 (amendment of enactments: Part 1), omit paragraph 34.

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### *Corporation Tax Act 2009*

- 17 In section 105 of CTA 2009 (gifts of trading stock to charities etc), in subsection (6) after “charity” insert “and section 939F of that Act (removal of corporation tax relief in respect of tainted charity donations etc)”.
- 18 In Schedule 1 (minor and consequential amendments), omit paragraphs 703 and 704.

### *Corporation Tax Act 2010*

- 19 CTA 2010 is amended as follows.
- 20 In section 1 (overview of Act), in subsection (4)—
- (a) in the opening words for “21” substitute “21C”, and
  - (b) after paragraph (j) insert “, and
  - (k) tainted donations made to charities (see Part 21C).”
- 21 In section 189 (relief for qualifying charitable donations), in subsection (5) for “any” substitute “section 939F and to any other”.
- 22 In section 496 (meaning of “non-charitable expenditure”), omit subsection (1)(e) and (f).
- 23 Sections 502 to 510 (substantial donor transactions) are repealed.
- 24 In Schedule 1 (minor and consequential amendments), omit paragraphs 532 to 535.
- 25 In Schedule 2 (transitionals and savings etc), omit paragraphs 73 to 76.
- 26 In Schedule 4 (index of defined expressions), at the appropriate places insert—
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|--|---|
| “arrangements (in Part 21C)                  | section 939I”   |
| “charity (in Part 21C)                       | paragraph 1 of Schedule 6 to FA 2010 (and see also section 939I)” |
| “the donor (in Part 21C)                     | section 939C(3)”  |
| “potentially advantaged person (in Part 21C) | section 939C(5)”  |
| “relievable charity donation (in Part 21C)   | section 939B(1)”  |
| “tainted donation (in Part 21C)              | section 939C”.  |