



Housing Act 1988

1988 CHAPTER 50

PART II

HOUSING ASSOCIATIONS

Grants: functions of Secretary of State

54 Tax relief grants. **E+W**

- (1) If a housing association makes a claim to the Secretary of State in respect of a period and satisfies him that throughout the period it was a housing association to which this section applies and its functions either—
 - (a) consisted exclusively of the function of providing or maintaining housing accommodation for letting or hostels and activities incidental to that function, or
 - (b) included that function and activities incidental to that function,the Secretary of State may make grants to the association for affording relief from tax chargeable on the association.
- (2) This section applies to a housing association at any time if, at that time—
 - (a) it is [^{F1}a relevant housing association];
 - (b) it does not trade for profit; and
 - (c) it is not approved for the purposes of [^{F2}Chapter 7 of Part 13 of the Corporation Tax Act 2010] (tax treatment of co-operative housing associations).
- (3) References in this section to tax chargeable on an association are to income tax (other than income tax which the association is entitled to deduct on making any payment) and corporation tax.
- (4) A grant under this section may be made—
 - (a) in a case falling within subsection (1)(a) above, for affording relief from any tax chargeable on the association for the period in respect of which the claim is made; and

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- (b) in a case falling within subsection (1)(b) above, for affording relief from such part of any tax so chargeable as the Secretary of State considers appropriate having regard to the other functions of the association;
- and in any case shall be of such amount, shall be made at such times and shall be subject to such conditions as the Secretary of State thinks fit.
- (5) The conditions may include conditions for securing the repayment in whole or in part of a grant made to an association—
- (a) in the event of tax in respect of which it was made being found not to be chargeable; or
- (b) in such other events (including the association beginning to trade for profit) as the Secretary of State may determine.
- (6) A claim under this section shall be made in such manner and shall be supported by such evidence as the Secretary of State may direct.
- (7) The Commissioners of Inland Revenue and their officers may disclose to the Secretary of State such particulars as he may reasonably require for determining whether a grant should be made on a claim or whether a grant should be repaid or the amount of such grant or repayment.
- (8) In this section “letting” includes—
- (a) in England and Wales, the grant of a shared ownership lease or a licence to occupy;
- (b) in Scotland, disposal under a shared ownership agreement or the grant of a right or permission to occupy.

Extent Information

- E1** This version of this provision extends to England and Wales only; a separate version has been created for Scotland only

Textual Amendments

- F1** Words in s. 54(2)(a) substituted (1.4.2010) by [Housing and Regeneration Act 2008 \(c. 17\)](#), s. 325(1), [Sch. 8 para. 49](#); [S.I. 2010/862](#), art. 2 (with [Sch.](#))
- F2** Words in s. 54(2)(c) substituted (1.4.2010) (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 1 para. 211](#) (with [Sch. 2](#))

Modifications etc. (not altering text)

- C1** Ss. 50-55 amended (1.4.1997) by [1996 c. 52](#), ss. [28\(6\)](#), [231\(4\)\(b\)](#) (with s. 51(4)); [S.I. 1997/618](#), art. 2 (subject to transitional provisions and savings in [Sch.](#))

54 Tax relief grants. **S**

- (1) If a housing association makes a claim to the Secretary of State in respect of a period and satisfies him that throughout the period it was a housing association to which this section applies and its functions either—
- (a) consisted exclusively of the function of providing or maintaining housing accommodation for letting or hostels and activities incidental to that function, or
- (b) included that function and activities incidental to that function,

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the Secretary of State may make grants to the association for affording relief from tax chargeable on the association.

- (2) This section applies to a housing association at any time if, at that time—
 - (a) it is registered;
 - (b) it does not trade for profit; and
 - (c) it is not approved for the purposes of ^{F2}Chapter 7 of Part 13 of the Corporation Tax Act 2010] (tax treatment of co-operative housing associations).
- (3) References in this section to tax chargeable on an association are to income tax (other than income tax which the association is entitled to deduct on making any payment) and corporation tax.
- (4) A grant under this section may be made—
 - (a) in a case falling within subsection (1)(a) above, for affording relief from any tax chargeable on the association for the period in respect of which the claim is made; and
 - (b) in a case falling within subsection (1)(b) above, for affording relief from such part of any tax so chargeable as the Secretary of State considers appropriate having regard to the other functions of the association;and in any case shall be of such amount, shall be made at such times and shall be subject to such conditions as the Secretary of State thinks fit.
- (5) The conditions may include conditions for securing the repayment in whole or in part of a grant made to an association—
 - (a) in the event of tax in respect of which it was made being found not to be chargeable; or
 - (b) in such other events (including the association beginning to trade for profit) as the Secretary of State may determine.
- (6) A claim under this section shall be made in such manner and shall be supported by such evidence as the Secretary of State may direct.
- (7) The Commissioners of Inland Revenue and their officers may disclose to the Secretary of State such particulars as he may reasonably require for determining whether a grant should be made on a claim or whether a grant should be repaid or the amount of such grant or repayment.
- (8) In this section “letting” includes—
 - (a) in England and Wales, the grant of a shared ownership lease or a licence to occupy;
 - (b) in Scotland, disposal under a shared ownership agreement or the grant of a right or permission to occupy.

Extent Information

- E2** This version of this provision extends to Scotland only; a separate version has been created for England and Wales only

Textual Amendments

- F2** Words in s. 54(2)(c) substituted (1.4.2010) (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 1 para. 211](#) (with [Sch. 2](#))

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55 Surplus rental income.

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Textual Amendments

- F3** S. 55 repealed (S.) (30.9.2002) by [2001 asp 10](#) para. 15(5), s. 112, Sch. 10 para. 15(5); S.I. 2002/321, [art. 2](#) (with [art. 3-5](#)) and omitted (E.W.) (18.1.2005) by virtue of [Housing Act 2004 \(c. 34\)](#), ss. 218, 270, [Sch. 11 para. 5](#) and repealed (6.4.2006 for E. and 16.6.2006 for W.) by [Housing Act 2004 \(c. 34\)](#), ss. 266, 270, [Sch. 16](#); S.I. 2006/1060, [art. 2\(1\)\(e\)\(ix\)](#) (with Sch.); S.I. 2006/1535, [art. 2\(c\)\(ix\)](#) (with Sch.)

Changes to legislation:

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Changes and effects yet to be applied to :

- specified provision(s) savings for amendments by 2018 anaw 1, s. 6, Sch. 6 by [S.I. 2019/110 reg. 5](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act savings and transitional provisions for amendments by S.I. 2022/1166 by [S.I. 2022/1172 Regulations](#)