



# Finance (No. 2) Act 2005

## 2005 CHAPTER 22

### PART 2

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER 2

#### SCIENTIFIC RESEARCH ORGANISATIONS

#### <sup>F1</sup>13 Corporation tax exemption for organisations

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#### Textual Amendments

**F1** S. 13 repealed (1.4.2010, with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

#### 14 Income tax deduction for payments to organisations

- (1) Section 88 of ITTOIA 2005 (income tax deduction for payments to research associations etc.) is amended as follows.
- (2) In subsection (1) (conditions for deduction), for the words from the beginning of paragraph (a) to “research” in paragraph (b) substitute—
  - “(a) pays any sum to an Association in the case of which exemption may be claimed under section 508 of ICTA and which has as its object the undertaking of research and development which may lead to or facilitate an extension of the class of trade to which the trade carried on by the person belongs, or
  - (b) pays any sum to be used for scientific research related to that class of trade”.

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*Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2005, Chapter 2. (See end of Document for details)*

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- (3) In subsection (4), omit paragraph (a) (meaning of “approved” in relation to scientific research association).
- (4) In subsection (5) (references to scientific research related to a class of trade), for “references in this section” substitute “reference in subsection (1)(b)”.
- (5) This section has effect in relation to sums paid to an Association during any accounting period of the Association beginning on or after the day appointed under section 13(6).

## **15 Corporation tax deduction for payments to organisations**

- (1) Section 82B of ICTA (corporation tax deduction for payments to research associations etc.) is amended as follows.
- (2) In subsection (1) (conditions for deduction), for the words from the beginning of paragraph (a) to “above” in paragraph (b) substitute—
  - “(a) pays any sum to an Association in the case of which exemption may be claimed under section 508 and which has as its object the undertaking of research and development which may lead to or facilitate an extension of the class of trade to which the trade carried on by the company belongs, or
  - (b) pays any sum to be used for scientific research related to that class of trade”.
- (3) In subsection (3) (reference to scientific research related to a class of trade), for “this section” substitute “subsection (1)(b) above”.
- (4) This section has effect in relation to sums paid to an Association during any accounting period of the Association beginning on or after the day appointed under section 13(6).

**Changes to legislation:**

There are currently no known outstanding effects for the Finance (No. 2) Act 2005, Chapter 2.