

*These notes refer to the Corporation Tax Act 2010
(c.4) which received Royal Assent on 3 March 2010*

CORPORATION TAX ACT 2010

EXPLANATORY NOTES

INTRODUCTION

Part 6: Charitable donations relief

Chapter 3: Certain disposals to charity

Section 212: Meaning and amount of “disposal-related liability”

802. This section defines “disposal-related liability”. It is based on section 587B(8E) to (8G) and (9) of ICTA.
803. *Subsection (2)* deals with contingent disposal-related obligations.
804. It is in the nature of a contingency that it may occur after the time of disposal; hence the words “at any time”. If a contingency occurs later than immediately after the disposal, but existed as a possibility at the time of disposal, the value of the net benefit to the charity at the time of, or immediately after, the disposal must be reduced. All necessary adjustments must be made to give effect to this. Conversely, if the contingency does not occur, to that extent there is no obligation and no liability.