



Corporation Tax Act 2010

2010 CHAPTER 4

PART 11

CHARITABLE COMPANIES ETC

CHAPTER 2

GIFTS AND OTHER PAYMENTS

Gifts and other payments to charitable companies

472 Gifts qualifying for gift aid relief: corporation tax liability and exemption

- (1) If a charitable company receives a gift from an individual and the gift is a qualifying donation for the purposes of Chapter 2 of Part 8 of ITA 2007 (gift aid), the grossed up amount of the gift is treated as an amount in respect of which the company is chargeable to corporation tax, under the charge to corporation tax on income.
- (2) But the grossed up amount of the gift is not taken into account in calculating total profits so far as that grossed up amount is applied to charitable purposes only.
- (3) References in this section to the grossed up amount of a gift are to the amount of the gift grossed up by reference to the basic rate for the tax year in which the gift is made.
- (4) The exemption under subsection (2) requires a claim.
- (5) A charitable company is treated as having made a claim for any exemption to which it may be entitled under subsection (2) if—
 - (a) it receives a gift as a result of a direction under section 429(2) of ITA 2007 (giving through self-assessment return), and
 - (b) as a result of section 429(4) of that Act, the gift is treated as a qualifying donation for the purposes of Chapter 2 of Part 8 of that Act.