



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### PART 11

#### CHARITABLE COMPANIES ETC

#### CHAPTER 4

##### RESTRICTIONS ON EXEMPTIONS

##### *Carry back of excess non-charitable expenditure*

#### **516 Rules for attributing excess expenditure to earlier periods**

- (1) The rules in this section apply for attributing a charitable company's excess expenditure for an accounting period to earlier accounting periods under section 515.
- (2) The excess expenditure for an accounting period may be attributed to an earlier accounting period if—
  - (a) the earlier period ends not more than 6 years before the end of the period in question, and
  - (b) the charitable company's available income and gains for the earlier period exceed its non-charitable expenditure for the earlier period.
- (3) If the conditions in subsection (2) are met in the case of more than one earlier accounting period, the excess expenditure is to be attributed to a later accounting period in priority to an earlier accounting period.
- (4) The amount of excess expenditure that is to be attributed to an earlier accounting period must not be greater than the amount by which the charitable company's available income and gains for the earlier period exceed its non-charitable expenditure for the earlier period.
- (5) For the purposes of subsections (2)(b) and (4) the charitable company's non-charitable expenditure for the earlier accounting period includes any excess expenditure

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**Changes to legislation:** There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 516. (See end of Document for details)

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attributed to the earlier period as a result of a previous operation of this section, but ignores the attribution in question.

**Changes to legislation:**

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 516.