

SCHEDULES

SCHEDULE 20

CHARITIES: QUALIFYING INVESTMENTS AND LOANS

PART I

QUALIFYING INVESTMENTS

- 1 Investments specified in any of the following paragraphs of this Part of this Schedule are qualifying investments for the purposes of section 506.
- 2 Any investment falling within Part I, Part II, apart from paragraph 13 (mortgages etc.) or Part III of Schedule 1 to the Trustee Investments Act 1961.
- 3 Any investment in a common investment fund established under section 22 of the Charities Act 1960 or section 25 of the Charities Act (Northern Ireland) 1964 or in any similar fund established for the exclusive benefit of charities by or under any enactment relating to any particular charities or class of charities.
- 4 Any interest in land, other than an interest held as security for a debt of any description.
- 5 Shares in, or securities of, a company which are quoted on a recognised stock exchange, or which are dealt in on the Unlisted Securities Market.
- 6 Units, or other shares of the investments subject to the trusts, of a unit trust scheme within the meaning of the Financial Services Act 1986.
- 7 (1) Deposits with an institution authorised under the Banking Act 1987 in respect of which interest is payable at a commercial rate.
(2) A deposit mentioned in sub-paragraph (1) above is not a qualifying investment if it is made as part of an arrangement under which a loan is made by the authorised institution to some other person.
- 8 Certificates of deposit as defined in section 56(5).
- 9 (1) Any loan or other investment as to which the Board are satisfied, on a claim made to them in that behalf, that the loan or other investment is made for the benefit of the charity and not for the avoidance of tax (whether by the charity or any other person).
(2) The reference in sub-paragraph (1) above to a loan includes a loan which is secured by a mortgage or charge of any kind over land.