
STATUTORY INSTRUMENTS

2007 No. 3426

The Scientific Research Organisations Regulations 2007

PART 2

Associations, object and profits

Gross income of an accounting period

8.—(1) For the purposes of regulation 7, the gross income of an accounting period shall be determined in accordance with generally accepted accounting practice but subject to paragraphs (2) to (4).

(2) The amount of the gross income of an accounting period is the amount of—

- (a) the revenue of the period, and
- (b) subject to paragraph (4), any chargeable gains arising to the Association in the period.

(3) For the purposes of paragraph (2) the revenue of the period includes in particular—

- (a) gross investment income;
- (b) interest;
- (c) dividends;
- (d) royalties;
- (e) grants of funding for the undertaking of research and development;
- (f) grants from public funds;
- (g) any payment of a sum of money received by the Association which, if the Association were a charity, would be a qualifying donation received by it within the meaning of—
 - (i) section 339 (charges on income: donations to charity)(1), or
 - (ii) section 25 of the Finance Act 1990 (donations to charity by individuals)(2), and
- (h) any other amounts received by the Association which, if the Association were a charity, would be treated for the purposes of the Tax Acts in relation to the Association as a donation to it.

(4) Where in an accounting period an Association sells or otherwise disposes of real property to a 100% subsidiary company of the Association any chargeable gain arising to the Association on the sale or disposal of the real property shall not be included in the determination of the gross income of the accounting period.

(1) Section 339 was amended by section 60(2) and (4) of the Finance Act 1989 (c. 26); sections 26 and 27(2) and (4) of the Finance Act 1990 (c. 29); section 64 of the Finance Act 1997 (c. 16); section 40(1) to (8) of the Finance Act 2000 (c. 17) and sections 57 and 58 of the Finance Act 2006 (c. 25).

(2) Section 25 was amended by section 71(5) and (6) of the Finance Act 1991 (c. 31); section 39(1) to (7) and (10) of the Finance Act 2000; sections 57 of, and paragraph 4 of Schedule 17 to, the Finance Act 2002 (c. 23); paragraphs 165 and 166 of Schedule 6 to the Income Tax (Earnings and Pensions) Act 2003 (c. 1); sections 83(6) to (7) and 284 of, and paragraph 5 of Schedule 17 and paragraph 37 of Schedule 35 to, the Finance Act 2004 (c. 12); paragraphs 414 and 415 of Schedule 1 to the Income Tax (Trading and Other Income) Act 2005 (c. 5); regulation 104 of S.I. 2005/3229; section 11 of the Finance (No. 2) Act 2005 (c. 22) and paragraph 30 of Schedule 13 the Finance Act 2006.

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(5) In paragraph (1) “generally accepted accounting practice” has the meaning it has in section 50(1) of the Finance Act 2004⁽³⁾.

⁽³⁾ 2004 c. 12; section 50(1) was amended by paragraphs 456 and 457 of Schedule 1 to the Income Tax Act 2007.