

Status: Point in time view as at 16/06/1999. This version of this cross heading contains provisions that are not valid for this point in time.

Changes to legislation: Finance Act 1999, Cross Heading: Charities is up to date with all changes known to be in force on or before 03 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)



Finance Act 1999

1999 CHAPTER 16

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

VALID FROM 27/07/1999

Charities

55 Gifts in kind to charities etc.

(1) The following section shall be inserted after section 83 of the Taxes Act 1988—

“83A Gifts in kind to charities etc.

- (1) This section applies where a person carrying on a trade, profession or vocation gives an article falling within subsection (2) below to—
 - (a) a charity within the meaning of section 506, or
 - (b) a body listed in section 507(1).
- (2) An article falls within this subsection if—
 - (a) it is an article manufactured, or of a class or description sold, by the donor in the course of his trade; or
 - (b) it is an article used by the donor in the course of his trade, profession or vocation which for the purposes of Part II of the 1990 Act constitutes machinery or plant used by him wholly or partly in the course of that trade, profession or vocation.
- (3) Subject to subsection (4) below, where this section applies in the case of the gift of an article—

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- (a) no amount shall be required, in consequence of the donor's disposal of that article from trading stock, to be brought into account for the purposes of the Tax Acts as a trading receipt of the donor; and
- (b) section 24(6) of the 1990 Act shall not require the donor to bring into account any disposal value in respect of the article for the purposes of that section.

(4) In any case where—

- (a) relief is given under subsection (3) above in respect of the gift of an article, and
- (b) any benefit received in any chargeable period by the donor or any person connected with him is in any way attributable to the making of that gift,

the donor shall in respect of that chargeable period be charged to tax under Case I or Case II of Schedule D or, if he is not chargeable to tax under either of those Cases for that period, under Case VI of Schedule D on an amount equal to the value of that benefit.

(5) Section 839 applies for the purposes of this section.”

- (2) Section 47 of the ^{M1}Finance Act 1998 (gifts in kind for relief in poor countries) shall cease to have effect.
- (3) Subsections (1) and (2) above have effect in relation to gifts made on or after the day on which this Act is passed.

Marginal Citations

M1 1998 c.36.

56 Gifts of money to relieve refugee poverty.

- (1) Section 48 of the Finance Act 1998 (gifts of money made for relief in poor countries) shall be amended in accordance with subsections (2) to (4) below.
- (2) In subsection (1)—
 - (a) in paragraph (a), for “the first designation date” there shall be substituted “31st July 1998”;
 - (b) in paragraph (b), for “one or both” there shall be substituted “one or more”.
- (3) In subsection (2)—
 - (a) in paragraphs (a) and (b) for “designated countries or territories” there shall be substituted “countries or territories designated for the purposes of this paragraph,”; and
 - (b) at the end of paragraph (b) there shall be inserted “, and
 - (c) the relief of poverty in the case of persons from any country or territory designated for the purposes of this paragraph who are refugees or who have suffered displacement as a result of organised intimidation or oppression or of war or other armed conflict.”

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- (4) In subsection (9), for “this section” there shall be substituted “ paragraph (a), (b) or (c) of subsection (2) above ”.
- (5) Any order made before the passing of this Act under subsection (9) of that section (designation of countries or territories in respect of which section 48 has effect) shall have effect as if made for the purposes only of subsection (2)(a) and (b) of that section.
- (6) Any notification given for the purposes of that section, in relation to a charity, before the passing of this Act shall be treated as a notification given for the purposes of that section as amended by this section.
- (7) This section has effect in relation to gifts made on or after 6th April 1999.
- (8) An order made under subsection (9) of that section for the purposes of subsection (2) (c) (as inserted by subsection (3)(b) above) may have effect retrospectively in relation to such times falling on or after that date as may be specified in the order.

57 Aggregation of money gifts for relief in poor countries.

- (1) Section 48 of the ^{M2}Finance Act 1998 (gifts of money made for relief in poor countries) shall have effect, and be deemed always to have had effect, with the following amendments.
- (2) In subsection (4) (aggregated small gifts to be treated as a single payment made at the time of the last of them), after “that section” there shall be inserted “ (but subject to subsection (4A) below) ”.
- (3) After that subsection there shall be inserted the following subsection—

“(4A) Subsection (10) of section 25 of the ^{M3}Finance Act 1990 (receipts of gifts by a charity to be treated as payments of grossed-up amounts after deduction of basic rate income tax) shall have effect where—

 - (a) any aggregated gifts are treated under this section as a single qualifying donation made to a charity, and
 - (b) the aggregated gifts include gifts made in different years of assessment,

as if that single qualifying donation had been received by the charity in the year of assessment in which the first of the aggregated gifts was made and as if that were the relevant year of assessment for the purposes of that subsection.”

Marginal Citations

M2 1998 c.36.

M3 1990 c.29.

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