



# Finance Act 2006

## 2006 CHAPTER 25

### PART 3

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER 4

#### CHARITIES

#### **57 Gift aid relief for companies wholly owned by one or more charities**

- (1) Section 339 of ICTA (charges on income: donations to charity) is amended as follows.
- (2) In subsection (1)(a) (distributions, other than those within section 209(4), not qualifying donations) after “distribution” insert “(but see subsections (1A) and (1B) below)”.
- (3) After subsection (1) insert—
  - “(1A) In determining whether a payment is to be regarded as a distribution for the purposes of subsection (1)(a) above, the words in section 209(5) from “; and any amount” to the end are to be disregarded.
  - (1B) A payment (other than a dividend) made by a company which is wholly owned by a charity is not to be regarded as a distribution for the purposes of subsection (1)(a) above.”
- (4) The amendments made by this section have effect in relation to payments made on or after 1st April 2006.