



Corporation Tax Act 2009

2009 CHAPTER 4

PART 3

TRADING INCOME

CHAPTER 7

TRADE PROFITS: GIFTS TO CHARITIES ETC

Relief for certain gifts

105 Gifts of trading stock to charities etc

- (1) This section applies if a company carrying on a trade (“the donor”) gives an article for the purposes of—
 - (a) a charity, a registered club or a body listed in subsection (4), or
 - (b) a designated educational establishment (see section 106),and the article is one manufactured, or of a class or description sold, by the donor in the course of the trade.
- (2) In calculating the profits of the trade, no amount is required to be brought into account as a receipt in consequence of the disposal of the article.
- (3) In this section “registered club” has the meaning given by [^{F1}section 658(6) of CTA 2010] (relief for community amateur sports clubs).
- (4) The bodies referred to in subsection (1)(a) are—
 - (a) the Trustees of the National Heritage Memorial Fund, [^{F2}and]
 - (b) the Historic Buildings and Monuments Commission for England, ^{F3}...

^{F3}
- (5) This section needs to be read with section 108 (receipt of benefits by donor or connected person).

Status: Point in time view as at 22/02/2024.

Changes to legislation: Corporation Tax Act 2009, Cross Heading: Relief for certain gifts is up to date with all changes known to be in force on or before 08 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)

[^{F4}(6) This section is subject to section 203 of CTA 2010 (certain disposals of investments to charity) [^{F5} and section 939F of that Act (removal of corporation tax relief in respect of tainted charity donations) .]

Textual Amendments

- F1** Words in s. 105(3) substituted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\), s. 1184\(1\), Sch. 1 para. 597\(2\)](#) (with Sch. 2)
- F2** Word in s. 105(4) inserted (1.4.2012) by [The Public Bodies \(Abolition of the National Endowment for Science, Technology and the Arts\) Order 2012 \(S.I. 2012/964\), arts. 1\(2\), 3\(1\), Sch.](#)
- F3** S. 105(4)(c) omitted (1.4.2012) by virtue of [The Public Bodies \(Abolition of the National Endowment for Science, Technology and the Arts\) Order 2012 \(S.I. 2012/964\), arts. 1\(2\), 3\(1\), Sch.](#)
- F4** S. 105(6) inserted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\), s. 1184\(1\), Sch. 1 para. 597\(3\)](#) (with Sch. 2)
- F5** Words in s. 105(6) inserted (19.7.2011) (with effect in accordance with Sch. 3 para. 27 of the amending Act) by [Finance Act 2011 \(c. 11\), Sch. 3 para. 17](#)

106 Meaning of “designated educational establishment”

- (1) For the purposes of section 105 “designated educational establishment” means an educational establishment designated, or within a category designated, in regulations made—
 - (a) for England and Scotland, by the Secretary of State,
 - (b) for Wales, by the Welsh Ministers, and
 - (c) for Northern Ireland, by the Department of Education.
- (2) The regulations may make different provision for different areas.
- (3) If any question arises as to whether an educational establishment is within a category designated in the regulations, an officer of Revenue and Customs must refer the question for decision—
 - (a) in the case of an establishment in England or Scotland, to the Secretary of State,
 - (b) in the case of an establishment in Wales, to the Welsh Ministers, and
 - (c) in the case of an establishment in Northern Ireland, to the Department of Education.
- (4) The power of the Secretary of State or the Welsh Ministers to make regulations under this section is exercisable by statutory instrument.
- (5) A statutory instrument containing any regulations made by the Secretary of State under this section is subject to annulment in pursuance of a resolution of the House of Commons.
- (6) A statutory instrument containing any regulations made by the Welsh Ministers under this section is subject to annulment in pursuance of a resolution of the National Assembly for Wales.
- (7) Regulations made under this section by the Department of Education—
 - (a) are a statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I. 12)), and

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- (b) are subject to negative resolution within the meaning of section 41(6) of the Interpretation Act (Northern Ireland) 1954 (c. 33 (N.I.)).

107 Gifts of medical supplies and equipment

- (1) This section applies if—
 - (a) a company carrying on a trade makes a gift from trading stock of medical supplies or medical equipment,
 - (b) it makes the gift for humanitarian purposes, and
 - (c) the supplies or equipment are for human use.
- (2) In calculating the profits of the trade, no amount is required to be brought into account as a receipt in consequence of the gift.
- (3) In calculating the profits of the trade, a deduction is allowed for any costs of transportation, delivery or distribution incurred by the company in making the gift.
- (4) The deduction is allowed for the accounting period in which the costs are incurred.
- (5) The Treasury may by order provide that this section is not to have effect in relation to medical supplies or medical equipment of any description specified in the order.
- (6) This section needs to be read with section 108 (receipt of benefits by donor or connected person).

Status:

Point in time view as at 22/02/2024.

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