



Corporation Tax Act 2010

2010 CHAPTER 4

PART 22

MISCELLANEOUS PROVISIONS

CHAPTER 9

OTHER MISCELLANEOUS PROVISIONS

[^{F1}Sporting testimonial payments and associated payments

Textual Amendments

- F1** [S. 996A](#) and cross-heading inserted (with effect in accordance with Sch. 2 para. 4(1) of the amending Act) by [Finance Act 2016 \(c. 24\)](#), [Sch. 2 para. 3](#)

996A Deductions from total profits for sporting testimonial payments and associated payments

- (1) This section applies where a company, in any accounting period—
- is the controller of a relevant event or activity that constitutes or is part of a sporting testimonial, and
 - makes a relevant sporting testimonial payment out of money raised by the sporting testimonial.
- (2) In this section “relevant sporting testimonial payment” means a sporting testimonial payment that is (or so much of it as is) made out of proceeds of a relevant event or activity which are brought into account in determining the company's total profits or any component of its total profits.

Changes to legislation: Corporation Tax Act 2010, Cross Heading: Sporting testimonial payments and associated payments is up to date with all changes known to be in force on or before 24 June 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) View outstanding changes

- (3) In calculating the amount of corporation tax chargeable for the accounting period, an amount equal to the aggregate of the following amounts is allowed as a deduction from the company's total profits—
 - (a) so much of the relevant sporting testimonial payment as is paid to or for the benefit of the sportsperson to whom the sporting testimonial relates,
 - (b) any income tax or employee's national insurance contributions deducted at source from that payment, and
 - (c) any employer's national insurance contributions relating to that payment.
- (4) The amount is deducted—
 - (a) from the company's total profits for the accounting period in which the relevant sporting testimonial payment is made, and
 - (b) if a claim by the company for relief so requires, previous accounting periods.
- (5) A claim under subsection (4)(b) must be made within 2 years after the end of the accounting period in which the relevant sporting testimonial payment is made.
- (6) If for an accounting period deductions under subsection (4) are to be made for relevant sporting testimonial payments made in more than one accounting period, the deductions are to be made in the order in which the payments were made (starting with the earliest of them).
- (7) The amount of the deduction to be made under subsection (4) for an accounting period is the amount that cannot be deducted under that subsection for a subsequent accounting period.
- (8) The amount of the deduction to be made for any accounting period is limited to the amount that reduces the company's taxable total profits for that period to nil.
- (9) The deduction is only available if and to the extent that the amount mentioned in subsection (3) is not otherwise deductible in calculating the company's total profits or any component of its total profits.
- (10) Terms used in this section and in section 226E of ITEPA 2003 have the same meaning as in that section.]

Changes to legislation:

Corporation Tax Act 2010, Cross Heading: Sporting testimonial payments and associated payments is up to date with all changes known to be in force on or before 24 June 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.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 357CHA omitted by [2024 c. 3 Sch. 2 para. 14\(7\)](#)
- s. 658(1)(d)(e) inserted by [2010 c. 13 Sch. 6 para. 31](#) (This amendment not applied to [legislation.gov.uk](#). Sch. 6 para. 31 omitted (retrospective to 6.4.2010) by virtue of Finance Act 2012 (c. 14), s. 52(2) (3))