



Income Tax Act 2007

2007 CHAPTER 3

PART 10

SPECIAL RULES ABOUT CHARITABLE TRUSTS ETC

Carry back of excess non-charitable expenditure

562 Excess expenditure treated as non-charitable expenditure of earlier years

- (1) This section applies if a charitable trust's non-charitable expenditure for a tax year exceeds its available income and gains for the tax year.
- (2) The excess is the charitable trust's "excess expenditure" for the tax year.
- (3) The charitable trust's excess expenditure for the tax year is treated for the purposes of this Part as non-charitable expenditure for earlier tax years so far as it can be attributed to earlier tax years under section 563.
- (4) For the purposes of this Part a charitable trust's "available income and gains" for a tax year is the sum of—
 - (a) the charitable trust's total income for the tax year (ignoring any restrictions on the exemptions under this Part which result from sections 539(2) and 541),
 - (b) any chargeable gains accruing to the charitable trust in the tax year (ignoring any restriction on the exemption under section 256(1) of TCGA 1992 which results from section 256(4) of that Act),
 - (c) the charitable trust's attributable income and gains for the tax year (see section 540), and
 - (d) any non-taxable sums received by the charitable trust in the tax year.
- (5) In subsection (4) "non-taxable sums" means donations, legacies and other sums of a similar nature which, ignoring exemptions from income tax under this Part and from capital gains tax under section 256 of TCGA 1992, are not liable to income tax or capital gains tax.

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations.

[View outstanding changes](#)

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. 24B inserted by [2023 c. 30 Sch. 2 para. 10\(3\)](#)
- s. 788(7) inserted by [2007 c. 29 Sch. 21 para. 161\(b\)](#) (The amending provision was repealed before coming into force.)