



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 13

#### TAX AVOIDANCE

### [<sup>F1</sup>CHAPTER 8

#### TAINED CHARITY DONATIONS

#### *Removal of reliefs and imposition of charge to tax*

#### [<sup>F1</sup>809Z]Income tax charge where gift aid is withdrawn

- (1) Income tax is charged under this section if—
  - (a) a person makes a tainted donation in a tax year,
  - (b) (ignoring this Chapter) relief would have been available under Chapter 2 of Part 8 in respect of the tainted donation or an associated donation (“the gift aid donation”), and
  - (c) the charity to which the gift aid donation is made is entitled to claim a repayment of tax in respect of that donation.
- (2) The amount of the tax charged under this section is equal to the amount of the repayment of tax which the charity is entitled to claim in respect of the gift aid donation (whether or not such a claim is made).
- (3) Each of the persons mentioned in subsection (4) is liable for any tax charged under this section, and the liability of those persons is joint and several.
- (4) The persons are—
  - (a) the donor in respect of the gift aid donation,
  - (b) if different, the donor in respect of the tainted donation,
  - (c) each potentially advantaged person under the relevant arrangements relating to the tainted donation, and

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- (d) any charity to which the gift aid donation or (if different) the tainted donation is made, or any connected charity, which falls within subsection (5).
- (5) A charity falls within this subsection if the charity—
  - (a) is or was party to the relevant arrangements relating to the tainted donation, and
  - (b) was aware, at the time it entered into those arrangements, that a linked person was entering (or had entered or was likely to enter) into the arrangements in circumstances falling within Condition B in section 809ZJ.
- (6) No liability to income tax arises under this section in respect of a repayment of tax, if (and to the extent that) the repayment is itself repaid to the Commissioners for Her Majesty's Revenue and Customs under any other provision of the Tax Acts.
- (7) In this section—
  - “associated donation” has the same meaning as in section 809ZM;
  - “linked person” has the same meaning as in section 809ZJ;
  - “the relevant arrangements” has the same meaning as in section 809ZM.]

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**Textual Amendments**

- F1** Pt. 13 Ch. 8 inserted (19.7.2011) (with effect in accordance with Sch. 3 para. 27 28 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 3 para. 1](#)

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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. 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.)