

Tax Benefits of Donating to Children Change Colombia For UK Limited Companies



Children Change Colombia is a UK registered Charity, which means if your company is a UK registered limited company you will receive a tax reduction when you donate to us.

Eligible Donation Types

Money (bank transfers, cash)

Stock or equipment (items your company sells, or equipment you have previously used)

Sponsorship (a collaborative agreement between your company and CCC, in which you receive business promotion by CCC in return for your financial donation)

Claiming Tax Relief

Money Donations

For money donations you can claim tax relief in your annual *Company Tax Return (1)* to HMRC, by deducting the total value of your donations in your company financial year from your business profits for the year, thereby reducing your tax bill.

Simply enter the total value of your donations in the '*Qualifying Donations*' box of the '*Deductions and Reliefs*' section of your tax return (see Appendix).

Stock Donations

If you donate items of company stock (such as items that you usually sell for profit) you do not need to record sales income in your accounts for these gifted items. Therefore you receive tax relief on the cost of the donated stock.

Equipment Donation

If you donate any used equipment (unused equipment falls into the Stock category above) you can claim *full capital allowance (2)* on the cost of the equipment, therefore reducing your tax bill.

Sponsorship

If you sign a collaborative agreement between your company and Children Change Colombia to donate funds in return for business promotion, your donations will be recorded as business expenses in your company's accounts, therefore reducing your tax bill.

Appendix

(1) Company Tax Return: www.gov.uk/company-tax-returns

Deductions and Reliefs - continued

263	Carried forward non-trade deficits from loan relationships and derivative contracts (financial instruments)	£																			•	0	0
265	Non-trading losses on intangible fixed assets	£																			•	0	0
275	Total trading losses of this or a later accounting period	£																			•	0	0
280	Put an 'X' in box 280 if amounts carried back from later accounting periods are included in box 275																					<input type="checkbox"/>	
285	Trading losses carried forward and claimed against total profits	£																			•	0	0
290	Non-trade capital allowances	£																			•	0	0
295	Total of deductions and reliefs - total of boxes 240 to 275, 285 and 290	£																			•	0	0
300	Profits before qualifying donations and group relief - box 235 minus box 295	£																			•	0	0
305	Qualifying donations	£																			•	0	0
310	Group relief	£																			•	0	0
312	Group relief for carried forward losses	£																			•	0	0
315	Profits chargeable to Corporation Tax - box 300 minus boxes 305, 310 and 312	£																			•	0	0
320	Ring fence profits included	£																			•	0	0
325	Northern Ireland profits included	£																			•	0	0

(2) Capital Allowances www.gov.uk/capital-allowances