

*These notes refer to the Income Tax Act 2007 (c.3)
which received Royal Assent on 20 March 2007*

INCOME TAX ACT 2007

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 10: Special rules about charitable trusts etc

Overview

Section 536: Exemption for certain miscellaneous income

1617. This section provides an exemption for certain categories of miscellaneous income from income tax, provided the income is applied to charitable purposes. It is based on section 505(1) and (1AA) of ICTA.
1618. The precise terms of the section draw significantly on the consequential amendments made by ITTOIA.
1619. In *subsection (1)(b)*, the reference to Act includes references to Acts of the Scottish Parliament and Northern Ireland legislation. See *Change 152* in Annex 1, section 1018 and the commentary on that section.
1620. *Subsection (3)(a)* and *(b)* specify that royalties and other income from intellectual property and income from relevant telecommunication rights, where such income is not taxable as profits of a trade, are eligible for exemption. This is a change from the source legislation in that such income was only exempt if it came within the definition of annual payments. See *Change 96* in Annex 1.