

Reduce your Corporation Tax when your limited company gives to JAFLAS

Overview

Your limited company pays less [Corporation Tax](#) when it gives the following to JAFLAS:

- [money](#)
- [equipment or trading stock](#) (items it makes or sells)
- [land, property or shares](#) in another company (shares in your own company don't qualify)
- [employees](#) (on secondment)
- [sponsorship payments](#)

You can [claim tax relief](#) by deducting the value of your donations from your total business profits before you pay tax.

How to claim

There are different ways to claim tax relief depending on the type of donation you make.

1. Deduct from your profits

Claim relief in the [Company Tax Return](#) that covers the [accounting period](#) during which you made the donation or sale if you have:

- donated money
- given or sold land, property or shares

Enter the total value of your donations in the 'Qualifying donations' box of the 'Deductions and Reliefs' section of your tax return.

There are [special rules](#) for working out the value of your donation if you give or sell land, property or shares to a charity.

2. Deduct as business expenses

Deduct costs as normal business expenses in your company's [annual accounts](#) if you have:

- seconded employees
- sponsored a charity

3. Claim capital allowances

Claim [capital allowances](#) on the cost of equipment you donate in your company's [annual accounts](#).

If you donate more than your profit

The most you can deduct is the amount that reduces your company's profits to zero.

If you donate more than your total profits you can't:

- declare trading losses on your tax return
- carry over any remaining amount to your next tax return

Sponsoring us

Charity sponsorship payments are different from donations because your company gets something related to the business in return.

You can deduct sponsorship payments from your business profits before you [pay tax](#) by treating them as business expenses.

What qualifies

Payments qualify as business expenses if the charity:

- publicly supports your products or services
- allows you to use their logo in your own printed material
- allows you to sell your goods or services at their event or premises
- links from their website to yours

If you're unsure whether a charity payment qualifies as a sponsorship payment or a donation, contact the [charities helpline](#).

Jaflas is a registered charity number 1142202.

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