
The Charity Law & Practice Review

BOOK REVIEW¹

VENABLES AND KESSLER ON THE TAXATION OF CHARITIES (5TH EDITION, 2005)

by James Kessler QC

Published by **Key Haven Publications PLC**. Hardback.

ISBN 1-901614-27-1; 518 pages; Price: £125 (£99 for registered charities).

This book offers a comprehensive discussion of the taxation of charities in the UK. As with all of James Kessler's titles this book addresses the issues in a clear and precise manner, offering the reader a quick overview and then more in-depth analysis. This book is very user friendly and is broken down into contents in brief and then contents in detail, which adds more flesh to the bones.

Thankfully this book deals not only with complex aspects of charity taxation but the simpler matters as well, it is all too often that authors fail to address the simple issues and go in at a level too high. In practice, practitioners need to be able to turn to a book that covers both simple and complex areas of tax when advising clients.

The preface to the book starts off by reminding us of the Charity Commission's warning: "Trustees ... may be personally liable to account for taxation liabilities which are unnecessarily incurred directly or indirectly as a result of the inefficient administration of the charity". If ever there was a sentence to send the fear of god through a trustee then I think this is it!

If you advise charity trustees you really need this book to guide you through the minefield of not only established law but the recent revisions to the HMRC Guidance Notes on Gift Aid in relation to donations from joint accounts, membership subscriptions, events and sponsorship and auctions and gifts of assets

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for sale. It also covers areas of significant change including the Income Tax (Earnings and Pensions) Act 2003 and the Income Tax (Trading and Other Income) Act 2005 and changes in Stamp Duty Land Tax brought about by Finance Act 2003 and Finance Act 2004.

I used this book in preparing advice on how to make donations to a school bursary/development fund using Gift Aid. The advice was in the form of a page to appear on the fund's Internet site to encourage individuals and companies to take advantage of Gift Aid when making a donation. The sections in this book relating to cash donations from companies to charity and gifts from parents to schools were particularly relevant.

I found the section on will drafting to be particularly useful in my day-to-day work. It deals with the basics of creating a life interest for the spouse by will with the residue to charity and then to more interesting areas such as agricultural property and business property and the rather hot topic of property subject to foreign inheritance tax.

I also found the section on variation of wills particularly useful and was able to consider and apply the instrument of variation in favour of a charity after the death of a life tenant to a particular case that I was advising on at the time.

I have attended many conferences, courses and seminars where James Kessler has been a speaker and have always been impressed by his delivery; he speaks in a way that is easy to understand and this is reflected in his book.

In summary, this book is an invaluable tool for any practitioner dealing either directly with charities or with clients wishing to give donations to charity. It covers all the recent developments in charity taxation with reference to HMRC Guidance Notes and criticism of the same where appropriate.