

*Status:* This version of this cross heading contains provisions that are prospective.

*Changes to legislation:* There are currently no known outstanding effects for the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017, Cross Heading: Relief from land transaction tax: conversion of an authorised unit trust to an open-ended investment company. (See end of Document for details)

PROSPECTIVE

## SCHEDULE 19

### OPEN-ENDED INVESTMENT COMPANY RELIEFS

#### *Relief from land transaction tax: conversion of an authorised unit trust to an open-ended investment company*

- 1 (1) A land transaction transferring any property which is subject to the trusts of an authorised unit trust (“the target trust”) to an open-ended investment company (“the acquiring company”) is relieved from tax if the conditions set out in subparagraph (2) are met.
- (2) Those conditions are that—
- (a) the transfer forms part of an arrangement for the conversion of an authorised unit trust to an open-ended investment company, as a result of which the whole of the available property of the target trust becomes the whole of the property of the acquiring company,
  - (b) under the arrangement all the units in the target trust are extinguished,
  - (c) the consideration under the arrangement consists of or includes the issue of shares (“the consideration shares”) in the acquiring company to the persons who held the extinguished units,
  - (d) the consideration shares are issued to those persons in proportion to their holdings of the extinguished units, and
  - (e) the consideration under the arrangement does not include anything else, other than the assumption or discharge by the acquiring company of liabilities of the trustees of the target trust.

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