SCHEDULES

SCHEDULE 17

SETTLEMENTS: LIABILITY OF SETTLOR

PART II

MINOR AND CONSEQUENTIAL AMENDMENTS OF THE TAXES ACT 1988

13 In section 686 of the Taxes Act 1988 (liability to income tax at rate applicable to trusts), in subsection (2) (income to which the section applies) for paragraph (b) substitute—

"(b) is not, before being distributed, either—

(i) the income of any person other than the trustees, or

(ii) treated for any of the purposes of the Income Tax Acts as the income of a settlor; and".