

## SCHEDULES

### SCHEDULE 15

#### SPECIAL CHARGE: TRUSTS

##### *Income derived from another trust*

6 (1) This paragraph has effect where all or part of an individual's investment income arising under a trust (in this paragraph called " the first trust") derives from another trust (in this paragraph called " the second trust").

(2) If—

- (a) the person originally chargeable has made an election under paragraph 2 above as respects the first trust, or
- (b) any amount has become chargeable on the person answer able for the first trust in accordance with paragraph 4 above,

the person answerable for the first trust may elect that for all the purposes of this Schedule the individual's investment income deriving from the second trust shall be treated as arising under that trust, and not under the first trust, and then any election under paragraph 2 above as respects the first trust shall take effect also as an election as respects the second trust.

An election under this sub-paragraph shall be made by notice in writing to the Board within thirty days from the date of the notice of charge on the person answerable for the first trust, or such longer time as the Board may allow, and shall not be effective unless the notice contains, to the satisfaction of the Board, sufficient particulars of the second trust, the names and addresses of the persons answerable for that trust, and the amount of the individual's investment income deriving from that trust.

(3) If the person originally chargeable has made a claim for recovery of any amount under paragraph 3 above from the person answerable for the first trust, the person answerable for the first trust may by notice in writing to the person originally chargeable require that, as respects his rights of recovery, the individual's investment income deriving from the second trust shall be treated as arising under that trust, and not under the first trust.

A notice under this sub-paragraph shall give particulars of the names and addresses of the persons answerable for the second trust, and of the amount of the individual's investment income deriving from the second trust.

(4) Where income arising under the second trust derives from a third trust, the person answerable for the second trust shall have the rights conferred by this paragraph as respects that income, and so on for any further trust, and in such a case references in this paragraph to the first and second trust shall be construed accordingly.

(5) For the purposes of this paragraph the amount of the individual's income which derives from the second trust shall be that fraction of his income arising under the first trust of which—

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*Status: This is the original version (as it was originally enacted).*

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- (a) the numerator is the income arising under the second trust to the trustees of the first trust, ascertained in accordance with paragraph 1(1) above,
- (b) the denominator is the total income of the first trust, ascertained in accordance with paragraph 1(2) above.