

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1997, Paragraph 2. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 7

#### SPECIAL TREATMENT FOR CERTAIN DISTRIBUTIONS

##### Modifications etc. (not altering text)

**C1** Sch. 7 excluded (28.4.1997) by S.I. 1997/1154, reg. 25(10)

##### *Distributions treated as FIDs*

- [<sup>F1</sup>2 (1) The Tax Acts shall have effect, and be deemed in relation to any time on or after 8th October 1996 to have had effect, as if a qualifying distribution to which this Schedule applies were a foreign income dividend within the meaning of Chapter VA of Part VI of the Taxes Act 1988 and, accordingly, as if the making of the distribution were the payment of a foreign income dividend.
- (2) In section 246A of the Taxes Act 1988 (elections for dividends to be treated as foreign income dividends), after subsection (2) there shall be inserted the following subsection—
- “(2A) An election under this section cannot be made as regards a distribution which already falls to be treated as a foreign income dividend by virtue of paragraph 2(1) of Schedule 7 to the Finance Act 1997.”
- (3) Sub-paragraph (1) above has effect subject to—
- [ section 95(1A)(b) of the Taxes Act 1988 (receipt of qualifying distribution  
<sup>F2</sup>(a) by dealer not to be treated as FID for certain purposes); and]
- (b) section 247(5B) to (5D) [<sup>F3</sup> of the Taxes Act 1988] (distributions that are subject to group income elections).
- (4) Sub-paragraph (2) above has effect in relation to the making of elections on or after 8th October 1996.]

##### Textual Amendments

- F1** Sch. 7 para. 2 repealed (31.7.1997 with effect in relation to distributions made on or after 6.4.1999) by 1997 c. 58, ss. 36(4), 52, Sch. 6 para. 21(2)(4), Sch. 8 Pt. II(11) note (with s. 3(3))
- F2** Sch. 7 para. 2(3)(a) repealed (31.7.1997 with effect as mentioned in s. 24(15)(a)(b) of the amending Act) by 1997 c. 58, ss. 24(14)(a), 52, Sch. 8 Pt. II(8) note 1 (with s. 3(3))
- F3** Words in Sch. 7 para. 2(3)(b) substituted (31.7.1997 with effect as mentioned in s. 24(15)(a)(b) of the amending Act) by 1997 c. 58, s. 24(14)(b) (with s. 3(3))

##### Modifications etc. (not altering text)

**C1** Sch. 7 para. 2(1) restricted (31.7.1997) by 1997 c. 58, s. 36(3) (with s. 3(3))

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1997, Paragraph 2.