



# Income Tax (Trading and Other Income) Act 2005

## 2005 CHAPTER 5

### PART 4

#### SAVINGS AND INVESTMENT INCOME

### CHAPTER 9

#### GAINS FROM CONTRACTS FOR LIFE INSURANCE ETC.

##### *Personal portfolio bonds*

#### **521 The property selection conditions**

- (1) The property selection conditions are—
  - (a) the general selection condition (see subsection (2)), and
  - (b) the class selection condition (see subsection (3)).
- (2) Property meets the general selection condition if, at the time when it may be selected, the opportunity to select property falling within the same category is available to—
  - (a) all policy holders of the insurance company, or
  - (b) persons acting on behalf of those policy holders.
- (3) Property meets the class selection condition if, at the time when it may be selected, the opportunity to select property falling within the same category is available to—
  - (a) a particular class or classes of policy holders of the insurance company, or
  - (b) persons acting on behalf of the members of that class or those classes.
- (4) A group of policy holders to whom the opportunity to select property falling within a particular category is available is a “class” for the purposes of subsection (3) if—

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**Changes to legislation:** *Income Tax (Trading and Other Income) Act 2005, Section 521 is up to date with all changes known to be in force on or before 05 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

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- (a) neither membership of the class nor the opportunity are limited to connected persons,
  - (b) the question whether a policy holder is a member of a class, or has the opportunity, is determined solely by the insurance company, and
  - (c) the opportunity is clearly identified in marketing or other promotional material published by the insurance company to members of the public, or members of the public who are intending investors, as available generally to any person falling within its terms.
- (5) In this section—
- “holder” has the meaning given by section 516(5), and
  - “policy holder” includes a holder of a life annuity contract.

**Changes to legislation:**

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 7A-7D inserted by [2022 c. 3 Sch. 1 para. 3](#)
- s. 31E(4) inserted by [2022 c. 3 Sch. 1 para. 7\(3\)](#)
- s. 649(1A)(1B) inserted by [2023 c. 30 Sch. 2 para. 11\(2\)](#)
- s. 679(3A) inserted by [2023 c. 30 Sch. 2 para. 11\(5\)\(b\)](#)
- s. 679A(3A) inserted by [2023 c. 30 Sch. 2 para. 11\(6\)\(b\)](#)
- s. 680(1A) inserted by [2023 c. 30 Sch. 2 para. 11\(7\)\(a\)](#)