

**2001 No. 923**

**INCOME TAX**

**The Personal Equity Plan (Amendment) Regulations 2001**

<i>Made</i> - - - -	<i>13th March 2001</i>
<i>Laid before the House of Commons</i>	<i>13th March 2001</i>
<i>Coming into force</i>	<i>6th April 2001</i>

The Treasury, in exercise of the powers conferred upon them by section 333 of the Income and Corporation Taxes Act 1988(a) and section 151 of the Taxation of Chargeable Gains Act 1992(b), hereby make the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Personal Equity Plan (Amendment) Regulations 2001 and shall come into force on 6th April 2001.

**Interpretation**

2. In these Regulations “the principal Regulations” means the Personal Equity Plan Regulations 1989(c) and “regulation” means a regulation of the principal Regulations.

**Amendments to the principal Regulations**

3.—(1) Regulation 2(d) shall be amended as follows.

(2) In paragraph (1)(a)—

- (a) in the definition of “approved profit sharing scheme” and “approved share option scheme” for the words from “and” to “have” there shall be substituted the word “has”;
- (b) for the definitions of “building society” and “company” there shall be substituted the following definitions—

““building society” means a building society within the meaning of the Building Societies Act 1986(e), or the Irish Building Societies Act 1989(f);

“company”, except in regulation 6(4), means any body corporate having a share capital other than—

---

(a) 1988 c. 1; section 333 was amended by section 70 of the Finance Act 1991 (c. 31) and section 75 of the Finance Act 1998 (c. 36).

(b) 1992 c. 12; section 151 was amended by section 85 of the Finance Act 1993 (c. 34), by section 64(2) of the Finance Act 1995 (c.4) and by section 75(6) of the Finance Act 1998, and was extended by section 123(7) of the Finance Act 1998.

(c) S.I. 1989/469; the relevant amending instruments (being numerous) are footnoted against individual regulations.

(d) Regulation 2 was amended by S.I. 1990/678, 1991/2774, 1995/1539, 1996/846, 1997/1716 and 2000/3109.

(e) 1986 c. 53.

(f) Number 17 of 1989.

- (i) an open-ended investment company, within the meaning given by section 75(8) of the Financial Services Act 1986<sup>(a)</sup>,
  - (ii) a UCITS,
  - (iii) an industrial and provident society, or
  - (iv) a body corporate which is a 51 per cent. subsidiary of any industrial and provident society;”
- (c) the definitions of “general plan”, “ordinary share”, “portfolio”, “single company plan” and “venture capital trust” shall be omitted;
- (d) in the definition of “investment trust” there shall be added at the end the words “, and references to the “eligible rental income” of an investment trust have the same meaning as in that section”;
- (e) for the definition of “plan investment” there shall be substituted the following definition—
- “a “plan investment” is an investment under the plan which is a qualifying investment for plans within the meaning of regulation 6;”;
- (f) in the definition of “security” before the word “means” there shall be inserted the words “, except in regulations 6(2)(c) to (e) and 27(3),”;
- (g) there shall be inserted in the appropriate places the following definitions—
- ““the former regulation 4(2A)”<sup>(b)</sup> and “the former regulation 4A(2)”<sup>(c)</sup> mean, respectively, the former provisions of these Regulations bearing those numbers, as they had effect immediately before the coming into force of the Personal Equity Plan (Amendment) Regulations 2001;
- “gilt-edged securities” has the meaning given by paragraphs 1 and 1A of Schedule 9 to the Taxation of Chargeable Gains Act 1992;
- an “industrial and provident society” means a society registered or deemed to be registered under the Industrial and Provident Societies Act 1965<sup>(d)</sup> or under the Industrial and Provident Societies (Northern Ireland) Act 1969<sup>(e)</sup>;
- “qualifying distribution” has the same meaning as in section 832(1) of the Taxes Act;”.
- (3) In paragraph (1)(b)—
- (a) in the definition of “depository interest” for the words from “which—” to “5(6)(b)” there shall be substituted the words “which are exclusively qualifying investments for plans falling within any of regulation 6(2)(a) to (j) and (l)”;
  - (b) in the definition of “fund of funds” for the words from “do not” to the end there shall be substituted the words “comply with the first condition or the second condition”;
  - (c) there shall be inserted in the appropriate places the following definitions—
- ““the first condition”, and references to the terms of a scheme complying with that condition, mean that the terms of the scheme do not permit any of the investments subject to the trusts of the scheme to consist of units in authorised unit trusts or parts of umbrella schemes which are not securities funds or warrant funds, or of shares in open-ended investment companies or parts of umbrella companies which are not securities companies or warrant companies;
- “the second condition”, and references to the terms of a scheme complying with that condition, mean that the terms of the scheme only permit any of the investments subject to the trusts of the scheme to consist of units or shares in—

(a) 1986 c. 60.

(b) Regulation 4(2A) was inserted by S.I. 1990/678 and amended by S.I. 1992/623 and 1997/511.

(c) Regulation 4A was inserted by S.I. 1991/2774 and amended by S.I. 1992/623, 1997/511 and 2000/3109.

(d) 1965 c. 12.

(e) 1969 c. 24.

- (i) a collective investment scheme which is a “recognised scheme” by virtue of section 87 or 88 of the Financial Services Act 1986, or
- (ii) a part of a scheme mentioned in paragraph (i) which would be a part of an umbrella company, or a part of an umbrella scheme, if the definitions of “umbrella company”, “umbrella scheme” and a part thereof in either case applied to a scheme mentioned in paragraph (i),

where the terms of the scheme mentioned in paragraph (i) identify that scheme, or the part thereof, as the case may be, as a scheme or part that would belong to one of the categories of securities fund, warrant fund, securities company or warrant company, if that scheme or part, as the case may be, were independently an authorised unit trust or an open-ended investment company in respect of which an authorisation order made by the Financial Services Authority was in force;

a “relevant UCITS” means—

- (i) a UCITS, situated in a member state other than the United Kingdom, which has been authorised by the competent authorities of the member state in which it is situated, and which is a “recognised scheme” by virtue of section 86 of the Financial Services Act 1986, and
- (ii) a part of a UCITS mentioned in paragraph (i), which would be a part of an umbrella company, or a part of an umbrella scheme, if the definitions of “umbrella company”, “umbrella scheme” and a part thereof in either case applied to a relevant UCITS,

where the terms of the UCITS mentioned in paragraph (i) identify that UCITS, or the part thereof, as the case may be, as a scheme or part that would belong to one of the categories of securities fund, warrant fund, securities company or warrant company, if that UCITS or part, as the case may be, were independently an authorised unit trust or an open-ended investment company in respect of which an authorisation order made by the Financial Services Authority was in force;

“UCITS” means undertakings for collective investment in transferable securities within the meaning of Article 1 of Council Directive 85/611(a), and references to—

- (i) “the member state in which a UCITS is situated”, and
- (ii) a UCITS which has been “authorised by the competent authorities of the member state in which it is situated”,

shall have the same meanings as in Articles 3 and 4 respectively of that Directive;

“units in, or shares of, a relevant UCITS” means the rights or interests (however described) of the holders of the units or shares in that relevant UCITS;

“warrant company” means—

- (i) an open-ended investment company which according to its instrument of incorporation is a warrant company belonging to the category under that name established by the Financial Services Authority and in respect of which an authorisation order made by that Authority is in force, and
- (ii) a part of an umbrella company which according to the instrument of incorporation of the company is a part which would belong to that category if it were itself an open-ended investment company, in respect of which an authorisation order made by the Financial Services Authority is in force;

“warrant fund” means—

- (i) an authorised unit trust which according to the terms of the scheme is a warrant fund belonging to the category under that name established by the Financial Services Authority, and

---

(a) O.J. No. L3–352, 31.12.1985, p. 3–18, amended by Council Directive 88/220/EEC (O.J. No. L100, 19.04.1988, p. 31–32).

- (ii) a part of an umbrella scheme which the terms of the scheme identify as a part that would belong to that category if it were itself an authorised unit trust.”

(4) In paragraph (1)(c) in the definition of “open-ended investment company” before the word “has” there shall be inserted the words “except in sub-paragraph (a)”.

(5) In paragraph (2)—

- (a) the following terms (with their indexed regulation numbers) shall be omitted—

“Designated company

Other qualifying shares

Paired shares

Qualifying EC shares

Qualifying investments for single company plans

Subscription limit”;

- (b) for the term “Qualifying investments for general plans” (and its indexed regulation number) there shall be substituted—

“Qualifying investments for plans 6(1)”;

- (c) in the term “qualifying securities” for the indexed regulation number “6(2)(ac)” there shall be substituted “6(2)(b)”.

4.—(1) Regulation 4(a) shall be amended as follows.

(2) In paragraph (1)—

- (a) in the words preceding sub-paragraph (aa) for the word “conditions” there shall be substituted the word “condition”;

- (b) sub-paragraphs (aa), (a) and (c) shall, subject to regulation 14 of these Regulations, be omitted; and

- (c) in sub-paragraph (b) for the word “subscribes” there shall be substituted the word “subscribed”.

(3) Paragraphs (2) to (4) shall be omitted.

(4) In paragraph (6)(f) for the words from “an entire” to “to it” there shall be substituted—

“\_\_

(i) a plan, with all rights and obligations of the parties to it, or

(ii) such parts thereof as may be agreed between the plan investor and the plan manager.”.

5. Regulation 4A(b) shall be omitted.

6.—(1) Regulation 5(c) shall be amended as follows.

(2) For paragraph (1) there shall be substituted the following paragraphs—

“5.—(1) All transactions by way of purchase by a plan manager of investments under a plan shall be made—

- (a) in the case of units in authorised unit trusts and parts of umbrella schemes, at the price for issue of units, within the meaning, and complying with the requirements, of regulation 4.16 of the Financial Services (Regulated Schemes) Regulations 1991(d);

---

(a) Regulation 4 was amended by S.I. 1990/678, 1991/733, 2774, 1992/623, 1996/1355, 1997/511, 1716 and 1998/1869.

(b) Regulation 4A was inserted by S.I. 1991/2774, and amended by S.I. 1992/623, 1997/511 and 2000/3109.

(c) Regulation 5 was amended by S.I. 1990/678, 1991/733, 2774, 1992/623, 1993/756, 1995/1539, 3287 and 1997/1716.

(d) Made by the Securities & Investments Board (Release 148) under powers to make regulations in sections 52, 81, 85 to 88 and 90 of the Financial Services Act 1986 (c. 60), transferred from the Secretary of State to the Securities & Investments Board by the Financial Services Act 1986 (Delegation) (No. 2) Order 1988 (S.I. 1988/738) and the Financial Services Act 1986 (Delegation) (No. 2) Order 1991 (S.I. 1991/1256) (for up-dated Regulations see Financial Services Authority Release 199).

(b) in the case of shares in an open-ended investment company, at the price of a share within the meaning of regulation 4.08 of the Financial Services (Open-Ended Investment Companies) Regulations 1997**(a)**; and

(c) in the case of all other plan investments, at the price for which those investments might reasonably be expected to be purchased in the open market.

(1A) All other transactions by way of sale or otherwise by a plan manager in investments under a plan shall be made at the price for which those investments might reasonably be expected to be sold or otherwise transacted, as the case may be, in the open market.”

(3) In paragraph (3) the words from “general” to “company” shall be omitted.

(4) For paragraphs (4) to (6) there shall be substituted the following paragraph—

“(4) Cash by way of dividends, interest, distributions, and other rights or proceeds in respect of plan investments may be invested only in qualifying investments for plans, or by way of cash deposit in accordance with paragraphs (3) and (3A).”

7. For regulations 6 to 6B**(b)** there shall be substituted the following regulation—

### “Qualifying investments

6.—(1) This regulation specifies the kind of investments (“qualifying investments for plans”) which may be purchased, made or held under a plan.

(2) Qualifying investments for plans to which paragraph (1) refers are—

(a) shares, not being shares in an investment trust, issued by a company wherever incorporated and, subject to paragraph (3), officially listed on a recognised stock exchange;

(b) securities (“qualifying securities”)—

(i) issued by a company wherever incorporated,

(ii) which satisfy at least one of the conditions specified in paragraph (5) and the condition specified in paragraph (6), and

(iii) in the case of securities of an investment trust, purchased or acquired by the plan manager in circumstances where the trust satisfies the conditions specified in paragraphs (7) and (8);

(c) gilt-edged securities which satisfy the condition specified in paragraph (11);

(d) any securities issued by or on behalf of a government of any EEA State, which satisfy the condition specified in paragraph (11);

(e) any securities which—

(i) in relation to a security mentioned in sub-paragraph (d), would be a strip of that security if “strip” had the same meaning as in section 47 of the Finance Act 1942**(c)**, with the omission of the words “issued under the National Loans Act 1968**(d)**”, and

(ii) satisfy the condition specified in paragraph (11);

(f) shares in an investment trust, listed in the Official List of the Stock Exchange, in circumstances where the trust satisfies the conditions specified in paragraphs (7) and (8);

(g) units in a securities fund or a warrant fund, or shares in a securities company or a warrant company, in circumstances where the fund or company satisfies the condition specified in paragraph (8);

---

**(a)** Made by the Securities & Investments Board (Release 168) under powers to make regulations in sections 81 and 85 of the Financial Services Act 1986, transferred from the Secretary of State to the Securities & Investments Board by the Financial Services Act 1986 (Delegation) (No. 2) Order 1988 (S.I. 1988/738) and the Financial Services Act 1986 (Delegation) (No. 2) Order 1991 (S.I. 1991/1256), and extended by the Open-Ended Investment Companies (Investments Companies with Variable Capital) Regulations 1996 (S.I. 1996/2827).

**(b)** Regulations 6A and 6B were inserted by S.I. 1990/678 and 1991/2774 respectively.

**(c)** 1942 c. 21; the relevant amendment to section 47 was made by section 202(2) of the Finance Act 1996 (c. 8).

**(d)** 1968 c. 13.

- (h) units in, or shares of, a relevant UCITS, in circumstances where the UCITS satisfies the condition specified in paragraph (8);
  - (j) units in a fund of funds, in circumstances where the fund satisfies the condition specified in paragraph (9);
  - (k) a depositary interest;
  - (l) shares which—
    - (i) the qualifying individual exercised the right to acquire in accordance with the provisions of a savings-related share option scheme, or
    - (ii) were appropriated to the qualifying individual in accordance with the provisions of an approved profit sharing scheme,
 where the shares were transferred to the plan manager in the circumstances specified in the former regulation 4A(2) before 6th April 1999;
  - (m) investments which—
    - (i) were held under the plan on 5th April 2001 (without extending to further investments of a type which was so held),
    - (ii) immediately before the Personal Equity Plan (Amendment) Regulations 2001 came into force on 6th April 2001, were permitted to be held under the plan by these Regulations, and which (under these Regulations as they had effect immediately before that date) would not subsequently have ceased to be permitted to be so held, and
    - (iii) do not fall or, having fallen, have not ceased to fall, within any of the other sub-paragraphs of this paragraph;
  - (n) cash deposited in accordance with regulation 5(3) and (3A) which a plan manager holds for the purpose of investment in investments which are qualifying investments for plans falling within any of sub-paragraphs (a) to (k).
- (3) An investment in shares fulfils the condition as to official listing in paragraph (2)(a) or (f) if—
- (a) in pursuance of a public offer, the plan manager applies for the allotment or allocation to him of shares in a company or trust which are due to be admitted to such listing within 30 days of the allocation or allotment, and which, when admitted to such listing, would be qualifying investments for plans, and
  - (b) the shares are not allotted or allocated to the plan manager in the circumstances specified in paragraph (4).
- (4) The circumstances specified in this paragraph are where—
- (a) the allotment or allocation of the shares was connected with the allotment or allocation of—
    - (i) shares in the company or trust of a different class, or
    - (ii) rights to shares in the company or trust of a different class, or
    - (iii) shares or rights to shares in another company or trust, or
    - (iv) shares or rights to shares in an open-ended investment company or a part of an umbrella company, or
    - (v) units or rights to units in an authorised unit trust or a part of an umbrella scheme, or
    - (vi) securities or rights to securities of the company or trust, or of another company or trust,
 to the plan manager, the plan investor or any other person; and
  - (b) the terms on which the first-mentioned shares in this paragraph were offered were significantly more favourable to the plan manager or plan investor than they would have been if their allotment or allocation had not been connected as described in sub-paragraph (a).

(5) The conditions specified in this paragraph are—

- (a) that the shares in the company issuing the securities are listed on the official list of a recognised stock exchange;
- (b) that the securities are so listed;
- (c) that the company issuing the securities is a 75 per cent. subsidiary of a company whose shares are so listed.

(6) The condition specified in this paragraph is that, judged at the date when each of the securities is first held under the plan, the terms on which it was issued do not—

- (a) require the loan to be repaid or the security to be repurchased or redeemed, or
- (b) allow the holder to require the loan to be repaid or the security to be repurchased or redeemed except in circumstances which are neither certain nor likely to occur,

within the period of five years from that date.

(7) The condition specified in this paragraph is that the investment trust has no eligible rental income, in its most recent accounting period to end before the date on which the shares in, or securities of, the investment trust first become investments under the plan, provided that the shares or securities shall cease to be qualifying investments for plans if the investment trust has any eligible rental income, in subsequent accounting periods, during which the shares or securities are held.

(8) The condition specified in this paragraph is that not more than 50 per cent. in value of the investments of the trust, company or UCITS, or investments subject to the trusts of the scheme, as the case may be, are either—

- (a) securities which would not be qualifying securities, or
- (b) securities which would not fall within any of sub-paragraphs (c) to (e) of paragraph (2),

if paragraph (6), or paragraph (6) as it applies with the modifications in paragraph (11), as the case may be, required the terms on which they were issued to be judged at the date when they first became investments of the trust, company or UCITS or, as the case may be, investments subject to the trusts of the scheme.

(9) The condition specified in this paragraph is that not more than 50 per cent. in value of the investments subject to the trusts of the scheme are—

- (a) units in securities funds or warrant funds, or
- (b) shares in securities companies or warrant companies, or
- (c) units in, or shares of, a relevant UCITS,

where the fund, company or UCITS does not satisfy the condition in paragraph (8).

(10) In paragraph (4)(a), “company” means any body corporate having a share capital.

(11) The condition specified in this paragraph is the condition specified in paragraph (6), omitting sub-paragraph (b) of that paragraph and the word “or” after sub-paragraph (a).”

**8.** In regulation 7(2)(a) for sub-paragraph (b) there shall be substituted the following sub-paragraph—

- “(b) who complied with this sub-paragraph (b) as it had effect immediately before the coming into force of the Personal Equity Plan (Amendment) Regulations 2001, and”.

**9.** In regulation 14—

- (a) for the words “within a reasonable time” there shall be substituted the words “not less than 30 days”; and
- (b) there shall be added at the end the words “and the notice to the subscriber shall inform him of his rights to transfer the plan under regulation 16”.

---

(a) Regulation 7(2) was amended by S.I. 1991/733, 2774.

**10.** In regulation 15(a)—

- (a) at the beginning there shall be inserted “(1)”;
- (b) in paragraph (1) so formed for the words from “forthwith” to “fact” there shall be substituted the words “within 30 days of the relevant event in sub-paragraphs (a) to (d), of that relevant event”; and
- (c) after paragraph (1) there shall be added the following paragraphs—

“(2) On giving the notice referred to in paragraph (1), the person shall also notify the plan investor of his right to transfer the plan under regulation 16, and the notice shall inform the plan investor of his rights under paragraph (3).

(3) Where the plan investor—

- (a) receives a notice under paragraph (2), or regulation 14, and
- (b) within 30 days of the sending of the notice to him, transfers the plan to another plan manager pursuant to regulation 16,

the period between the transferor ceasing to act or qualify as a plan manager, and the transfer to the transferee, shall be ignored in determining whether the plan has at all times been managed by a plan manager.”

**11.—(1)** Regulation 16(b) shall be amended as follows.

(2) In paragraph (1)(a) after the word “plan” where it secondly appears there shall be inserted the words “, or the qualifying investments forming part of a plan,”.

(3) After paragraph (1) there shall be inserted the following paragraph—

“(1A) Where part of a plan is transferred, the transferee shall thereafter be the plan manager in relation to the qualifying investments transferred, and all references in these Regulations to the plan manager shall, so far as relates to plan investments transferred, be thereafter taken to be references to the transferee.”

(4) In paragraph (2) for “60” there shall be substituted “30”.

(5) In paragraph (3)(b)—

- (a) in the words preceding paragraph (i) after the word “plan” there shall be inserted the words “, or the part of the plan being transferred, as the case may be”;
- (b) paragraph (i) shall be omitted.

(6) In paragraph (4)(b) the words “of the plan” shall be omitted.

**12.** In regulation 24A(c)—

- (a) in paragraph (2) in the words preceding sub-paragraph (a) for the word “in” where it secondly appears there shall be substituted the words “at the end of”;
- (b) paragraph (2)(b)(ii) and (c) shall be omitted;
- (c) for paragraph (3)(a) there shall be substituted the following sub-paragraph—

“(a) the respective market values at the end of the year or the part of the year for which the return is made of plan investments held by him or a nominee for him on behalf of plan investors, under all the plans in respect of which he acted as plan manager in that year or part, with separate values for—

- (i) shares, not being shares in an investment trust or in a UCITS,
- (ii) qualifying securities,
- (iii) shares in investment trusts,
- (iv) units in securities funds and warrant funds, and shares in securities companies and warrant companies,

---

(a) Regulation 15 was amended by S.I. 1995/3287.

(b) Regulation 16 was amended by S.I. 1993/756, 1996/846 and 1998/1869.

(c) Regulation 24A was inserted by S.I. 1993/756 and amended by S.I. 1995/1539, 1997/511, 1716 and 1998/1869.



- (v) units in, or shares of, a relevant UCITS,
- (vi) units in funds of funds, and
- (vii) cash, including cash represented in share accounts with building societies,

with depositary interests being included in the paragraph to which their relevant investments (referred to in paragraphs (a) and (b) of the definition of “depository interest”) relate; and”;

(d) paragraph (4) shall be omitted.

**13.—**(1) Regulation 27(a) shall be amended as follows.

(2) In paragraphs (2) and (3), in the subsections (12) and (14) treated as added to section 106A of the Taxation of Chargeable Gains Act 1992(b)—

- (a) before the words “regulation 4(2A)(a), (b) or (c)” wherever they occur there shall be inserted the words “the former”;
- (b) before “regulation 4A(2)” wherever it occurs there shall be inserted the words “the former”; and
- (c) before “4A(2)” wherever it occurs not preceded by the word “regulation” there shall be inserted the words “the former regulation”.

(3) In paragraph (2), in the subsection (13)(a) treated as added to that section—

- (a) there shall be inserted at the beginning the words ““the former regulation 4(2A)(a), (b) or (c)” (certain public offer shares, certain shares resulting from a building society demutualisation or certain shares resulting from the demutualisation of a mutual insurer), “the former regulation 4A(2),””; and
- (b) the words from “and “regulation”” to the end shall be omitted.

(4) In paragraph (4) for the words from “ordinary shares” to “qualifying securities” there shall be substituted the words “qualifying investments for plans falling within any of sub-paragraphs (a), (b), (f) to (j), (l) or (m) of regulation 6(2)”.

### **Savings**

**14.** The revocation of regulation 4(1)(a) and (c) shall not affect any right to treat a plan as void or other penalty or liability in relation to events prior to 6th April 2001.

*Dave Clelland*  
*Jim Dowd*

13th March 2001

Two of the Lords Commissioners of Her Majesty’s Treasury

---

(a) Regulation 27 was amended by S.I. 1998/1869.

(b) Section 106A was inserted by section 124(1) of the Finance Act 1998 (c. 36).

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Personal Equity Plan Regulations 1989 (S.I. 1989/469) (“the principal Regulations”). The principal effects of these Regulations are (1) to align the rules for investments which may be made under plans (“qualifying investments for plans”) with the rules for Individual Savings Accounts (“ISAs”), (2) to remove the distinctions between general plans and single company plans, (3) to allow parts of plans to be transferred between plan managers, and (4) to further align the rules governing the administration of plans with those for ISAs.

Regulation 1 provides for citation, and commencement and regulation 2 contains definitions. Regulation 3 amends definitions in the principal Regulations.

Regulations 4 and 5 contain the amendments to regulations 4 and 4A of the principal Regulations, removing the distinctions between general plans and single company plans.

Regulation 6 makes technical amendments to regulation 5 of the principal Regulations, amending the rules relating to the price at which transactions in plan investments must be conducted and the investment of cash held in a plan.

Regulation 7 substitutes, for regulations 6 to 6B of the principal Regulations, a new regulation 6 setting out investments which may be made under plans. This generally follows the equivalent rule for stocks and shares ISAs but also allows the retention of any permitted PEP investments already held when these Regulations come into force.

Regulation 8 makes a technical amendment to regulation 7 of the principal Regulations, governing who is a qualifying individual who may invest in a plan.

Regulations 9 and 10 amend regulations 14 and 15 of the principal Regulations, relating to declarations which must be given to the Inland Revenue and to investors by a plan manager who intends to cease acting, or who ceases to qualify as such.

Regulation 11 amends regulation 16 of the principal Regulations (rules relating to transfers of plans) to allow parts of plans to be transferred between plan managers.

Regulation 12 amends regulation 24A of the principal Regulations (provisions for plan manager’s annual return of information).

Regulation 13 makes technical amendments to regulation 27 of the principal Regulations (Capital gains tax – adaptation of enactments).

Regulation 14 preserves the right to treat a plan as void, or any other penalty or liability, in relation to events prior to the coming into force of these Regulations.



**2001 No. 923**

**INCOME TAX**

**The Personal Equity Plan (Amendment) Regulations 2001**

**£2.50**

© Crown copyright 2001

Printed and published in the UK by The Stationery Office Limited  
under the authority and superintendence of Carol Tullo,  
Controller of Her Majesty's Stationery Office and Queen's Printer of  
Acts of Parliament

E 0768 04/01 ON (MFK)