
STATUTORY INSTRUMENTS

2009 No. 3001

The Offshore Funds (Tax) Regulations 2009

PART 3

**REPORTING FUNDS AND THE TREATMENT
OF PARTICIPANTS IN REPORTING FUNDS**

CHAPTER 5

THE COMPUTATION OF REPORTABLE INCOME

Adjustments for special classes of income

Income from non-reporting funds: second case

70.—(1) This regulation applies if a reporting fund has an interest in a non-reporting fund, but the conditions in regulation 69(2) are not met for a period of account.

(2) No adjustments may be made under regulations 64 and 65 in respect of the interest in the non-reporting fund.

(3) But if the condition specified in paragraph (4) is met, losses made by a reporting fund in earlier periods of account on an investment in a non-reporting fund may be set against gains made on the investment in the non-reporting fund to reduce the reportable income of the reporting fund, but only to the extent that the losses—

- (a) have not previously had the effect of reducing income for the period of account in which they were incurred, or
- (b) have not been used previously to reduce gains arising to the non-reporting fund.

(4) The condition specified is that the losses in earlier periods of account were all made during periods in which this Part applied continuously to the reporting fund.

Changes to legislation:

There are currently no known outstanding effects for the The Offshore Funds (Tax) Regulations 2009, Section 70.