
STATUTORY INSTRUMENTS

2013 No. 1400

**The Collective Investment Schemes (Tax
Transparent Funds, Exchanges, Mergers and
Schemes of Reconstruction) Regulations 2013**

Amendments in relation to tax transparent collective investment schemes

6. In section 213 (spreading of gains and losses under section 212)(1), before subsection (4A) insert—

“(4ZB) Subject to subsection (5) below, where a company—

- (a) acquired units in a collective investment scheme where section 211B(2) applied in relation to that acquisition, and
- (b) other than by virtue of section 212, disposes of some or all of those units during the period of three years after the end of the accounting period of the company in which the acquisition took place,

the fraction of any net amount that is treated as accruing at the end of the accounting period of the company in which the disposal occurs is to be adjusted so as to secure that the whole of the chargeable gain or allowable loss attributable to the units disposed of which has been taken into account in determining the net amount has been accounted for; and fractions of the net amount treated as accruing at the end of subsequent accounting periods are to be adjusted accordingly.

(4ZC) For the purposes of subsection (4ZB) (notwithstanding the provisions of Chapter 1 of Part 4 (shares, securities, options etc))—

- (a) units in a collective investment scheme acquired as mentioned in subsection (4ZB)(a) are treated as being disposed of before other units in the scheme or, where there are different classes of unit in the scheme, units of the same class held by the company, and
- (b) where units are acquired as mentioned in subsection (4ZB)(a) at different times, units acquired at a later time are treated as disposed of before units acquired at an earlier time or, where there are different classes of unit in the scheme, units of the same class acquired at an earlier time.

(4ZD) In subsections (4ZB) and (4ZC), in relation to a relevant offshore fund, “units” means rights in the fund which are treated as shares under section 103A (application of Act to certain offshore funds).

(4ZE) In subsection (4ZD), “relevant offshore fund” has the same meaning as in section 103A.”

(1) Section 213 was amended by section 91(4) of, and Part 3(8) of Schedule 23 to, the Finance Act 1993 (c. 34), paragraph 4 of Schedule 9 to the Finance Act 1995 (c. 4), section 137(3) of the Finance Act 1998 (c. 36), section 153(1)(b) and (4) of, paragraph 16 of Schedule 33 and Part 3(12) of Schedule 43 to, the Finance Act 2003 (c. 14), paragraph 9(3) of Schedule 7 to the Finance Act 2004 (c. 12), paragraph 20(6) of Schedule 9 to the Finance (No 2) Act 2005 (c. 22), section 70(1) and (5) of the Finance Act 2006 (c. 25), paragraphs 60 and 64 of Schedule 7, paragraphs 3(4) and 17(1) of Schedule 9 and Part 2(7) of Schedule 27 to the Finance Act 2007 (c. 11) and S.I. 2001/3629, 2008/381 and 2009/56.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.
