

SCHEDULE 19

(as introduced by section 30(1))

OPEN-ENDED INVESTMENT COMPANY RELIEFS

Relief from land transaction tax: conversion of an authorised unit trust to an open-ended investment company

- 1 (1) A land transaction transferring any property which is subject to the trusts of an authorised unit trust (“the target trust”) to an open-ended investment company (“the acquiring company”) is relieved from tax if the conditions set out in subparagraph (2) are met.
- (2) Those conditions are that—
 - (a) the transfer forms part of an arrangement for the conversion of an authorised unit trust to an open-ended investment company, as a result of which the whole of the available property of the target trust becomes the whole of the property of the acquiring company,
 - (b) under the arrangement all the units in the target trust are extinguished,
 - (c) the consideration under the arrangement consists of or includes the issue of shares (“the consideration shares”) in the acquiring company to the persons who held the extinguished units,
 - (d) the consideration shares are issued to those persons in proportion to their holdings of the extinguished units, and
 - (e) the consideration under the arrangement does not include anything else, other than the assumption or discharge by the acquiring company of liabilities of the trustees of the target trust.

Relief from land transaction tax: amalgamation of an authorised unit trust with an open-ended investment company

- 2 (1) A land transaction transferring any property which is subject to the trusts of an authorised unit trust (“the target trust”) to an open-ended investment company (“the acquiring company”) is relieved from tax if the conditions set out in subparagraph (2) are met.
- (2) Those conditions are that—
 - (a) the transfer forms part of an arrangement for the amalgamation of an authorised unit trust with an open-ended investment company, as a result of which the whole of the available property of the target trust becomes part (but not the whole) of the property of the acquiring company,
 - (b) under the arrangement all the units in the target trust are extinguished,
 - (c) the consideration under the arrangement consists of or includes the issue of shares (“the consideration shares”) in the acquiring company to the persons who held the extinguished units,
 - (d) the consideration shares are issued to those persons in proportion to their holdings of the extinguished units, and
 - (e) the consideration under the arrangement does not include anything else, other than the assumption or discharge by the acquiring company of liabilities of the trustees of the target trust.

Interpretation

- 3 (1) For the purposes of this Schedule, “the whole of the available property of the target trust” means the whole of the property subject to the trusts of the target trust, other than any property which is retained for the purpose of discharging liabilities of the trustees of the target trust (and “target trust” has the meaning given by paragraph 1 or 2, as the case may be).
- (2) For the purposes of this Schedule, each of the parts of an umbrella scheme (and not the scheme as a whole) is regarded as an authorised unit trust; and “umbrella scheme” has the same meaning as in section 619 of the [Corporation Tax Act 2010 \(c. 4\)](#).
- (3) In this Schedule, “authorised unit trust” means a unit trust scheme in the case of which an order under section 243 of the [Financial Services and Markets Act 2000 \(c. 8\)](#) is in force.