

SCHEDULE 19

OPEN-ENDED INVESTMENT COMPANY RELIEFS

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.