

## SCHEDULE 8

### TRUSTS

#### *Key terms*

- 2 (1) In this Schedule, a “bare trust” means a trust under which property is held by a person as trustee—
- (a) for a person who is absolutely entitled as against the trustee, or who would be so entitled but for being aged under 18 or lacking capacity (within the meaning of the [Mental Capacity Act 2005 \(c. 9\)](#)) to administer and manage the person’s property and affairs, or
  - (b) for two or more persons who are or would be jointly so entitled,
- and includes a case in which a person holds property as nominee for another.
- (2) The reference in sub-paragraph (1) to a person being absolutely entitled as against the trustee is a reference to a case where the person has the exclusive right, subject only to satisfying any outstanding charge, lien or other right of the trustee—
- (a) to resort to the property for payment of duty, taxes, costs or other outgoings, or
  - (b) to direct how the property is to be dealt with.
- (3) In this Schedule, a “settlement” means a trust that is not a bare trust.