



Deregulation Act 2015

2015 CHAPTER 20

Regulation of child trust funds

62 Child trust funds: transfers

- (1) The Child Trust Funds Act 2004 is amended as follows.
- (2) After section 7 insert—

“7A Transfers to other accounts for children

- (1) Regulations may make provision requiring an account provider, at the request of a person who has the authority to manage a child trust fund, to—
 - (a) transfer all the investments under the fund, or an amount representing their value in cash, to a protected child account that is provided by a person chosen by the person making the request, and
 - (b) when all the investments have been transferred, close the child trust fund.
- (2) An account is a protected child account if—
 - (a) there is relief from income tax and capital gains tax in respect of investments under it,
 - (b) it may be held only by a child, and
 - (c) it satisfies any other conditions prescribed in regulations under this section.”
- (3) After section 7A (as inserted by subsection (2)) insert—

“7B Transfers on child reaching 18

- (1) Regulations may make provision requiring an account provider to transfer all the investments under a child trust fund held by a person immediately before his or her 18th birthday to a protected account of a description prescribed in the regulations.

Status: This is the original version (as it was originally enacted).

- (2) Regulations under subsection (1) must include provision that the requirement does not apply if the person gives instructions, in accordance with the regulations, to the account provider as to what is to be done with the investments.
- (3) An account is a protected account if—
 - (a) there is relief from income tax and capital gains tax in respect of investments under it, and
 - (b) it satisfies any other conditions prescribed in regulations under this section.”
- (4) In section 3 (requirements to be satisfied), in subsection (4)(d), after “regulations” insert “under this section or any other provision of this Act”.
- (5) In section 20 (penalties), in subsection (7)(b), after “7” insert “, 7A, 7B”.