



Finance Act 1998

1998 CHAPTER 36

PART VI

MISCELLANEOUS AND SUPPLEMENTAL

Government borrowing

161 Non-FOTRA securities.

- (1) Subject to the following provisions of this section, any gilt-edged security issued before 6th April 1998 without FOTRA conditions shall be treated in relation to times on or after that date as if—
 - (a) it were a security issued with the post-1996 Act conditions; and
 - (b) those conditions had been authorised in relation to the issue of that security by virtue of section 22 of the ^{M1}Finance (No. 2) Act 1931.
- (2) Where a gilt-edged security falls to be treated as mentioned in subsection (1) above that treatment shall have effect—
 - (a) for the purposes of [^{F1}Chapter 2 of Part 12 of the Income Tax Act 2007 (accrued income profits) in relation only to accrued income profits which a person is treated as making under section 628(5) or 630(2) of that Act] on or after 6th April 1998;
 - (b) for the other purposes of the Tax Acts, in relation only to payments of interest falling due on or after that date; and
 - (c) for the purposes of the ^{M2}Inheritance Tax Act 1984, in relation only to a determination of whether property is excluded property at a time falling on or after that date.
- (3) No charge to tax shall be treated as arising under section 65 of the ^{M3}Inheritance Tax Act 1984 (property becoming excluded property) by reason only of the coming into force of this section.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1998, Section 161. (See end of Document for details)

- (4) In this section “FOTRA conditions” means any such conditions about exemption from taxation as are authorised in relation to the issue of a gilt-edged security by virtue of section 22 of the ^{M4}Finance (No. 2) Act 1931.
- (5) In this section “the post-1996 Act conditions” means the FOTRA conditions with which 7.25% Treasury Stock 2007 was first issued by virtue of section 22 of the ^{M5}Finance (No. 2) Act 1931.
- (6) In this section “gilt-edged securities” means any securities which are gilt-edged securities for the purposes of the ^{M6}Taxation of Chargeable Gains Act 1992.
- (7) This section does not apply to any 3½% War Loan 1952 Or After which was issued with a condition authorised by virtue of section 47 of the ^{M7}Finance (No. 2) Act 1915.

Textual Amendments

- F1** Words in s. 161(2)(a) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 384](#) (with [Sch. 2](#))
-

Marginal Citations

- M1** 1931 c. 49.
M2 1984 c. 51.
M3 1984 c. 51.
M4 1931 c. 49.
M5 1931 c. 49.
M6 1992 c. 12.
M7 1915 c. 89.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1998, Section 161.