

SCHEDULES

SCHEDULE 8

DEEMED DOMICILE: INCOME TAX AND CAPITAL GAINS TAX

PART 4

CLEANSING OF MIXED FUNDS

- 45 (1) This paragraph applies to a transfer made by a person (“P”) from a mixed fund where—
- (a) the transfer is made in the tax year 2017-18 or the tax year 2018-19,
 - (b) the transfer is a transfer of money,
 - (c) the mixed fund from which the transfer is made is an overseas account (account A) containing pre-6 April 2008 income or chargeable gains,
 - (d) the transfer is made to another overseas account (account B),
 - (e) the transfer is nominated by the person for the purposes of this sub-paragraph,
 - (f) at the time of the nomination no other transfer from account A to account B has been so nominated, and
 - (g) P is a qualifying individual.
- (2) P is a qualifying individual if—
- (a) section 809B, 809D or 809E of ITA 2007 (remittance basis) applied in relation to P for any tax year before the tax year 2017-18, and
 - (b) P is not an individual—
 - (i) who was born in the United Kingdom, and
 - (ii) whose domicile of origin was in the United Kingdom.
- (3) A transfer to which this paragraph applies is to be treated as containing such amount of such kind or kinds of income or capital in the mixed fund immediately before the transfer (for example, income or chargeable gains for a particular tax year) as may be specified in the nomination under sub-paragraph (1)(e).
- (4) An amount of a kind of income or capital specified under sub-paragraph (3) may not exceed the amount of that kind which is in the mixed fund immediately before the transfer.
- (5) In this paragraph and paragraph 46—
- “mixed fund” has the same meaning as in section 809R(4) of ITA 2007;
 - “overseas account” means an account situated outside the United Kingdom;
 - “pre-6 April 2008 income or chargeable gains” means income or chargeable gains for the tax year 2007-8 or any earlier tax year.