
STATUTORY INSTRUMENTS

1997 No. 1154

The Open-ended Investment Companies (Tax) Regulations 1997

PART II

**GENERAL PROVISIONS RELATING TO TAX TREATMENT
OF OPEN-ENDED INVESTMENT COMPANIES**

Tax treatment of open-ended investment companies—general

3.—(1) Subject to the modifications and exceptions specified in this Part, and the modifications specified in Parts III to V, of these Regulations, the enactments specified in paragraph (3) shall have effect in relation to—

- (a) open-ended investment companies,
- (b) holdings in, and the assets of, such companies, and
- (c) transactions involving such companies,

in like manner as the manner in which they have effect in relation to authorised unit trusts, to rights under, and the assets subject to, such trusts and to transactions for purposes connected with such trusts.

(2) References in the enactments specified in paragraph (3) to companies, to holdings in, and the assets of, companies and to transactions involving companies, shall accordingly have effect (or shall not have effect as the case may be) in relation to open-ended investment companies, to holdings in, and the assets of, such companies, and to transactions involving such companies, in like manner as the manner in which they have effect (or do not have effect) in relation to authorised unit trusts, to rights under, and the assets subject to, such trusts, and to transactions for purposes connected with such trusts.

(3) The enactments specified in this paragraph are—

- (a) the Tax Acts, and
- (b) the 1992 Act.

General modifications of the Tax Acts and the 1992 Act

4. The modifications specified in regulations 5 to 8 have effect subject to the modifications specified in Parts III to V of these Regulations.

General modification—authorised unit trust

5.—(1) Subject to paragraph (2), the modifications specified in this regulation are that references, however expressed, in the Tax Acts and the 1992 Act to—

- (a) an authorised unit trust (other than references in a definition of an authorised unit trust, an unauthorised unit trust or a unit trust scheme),

- (b) a unit trust scheme as denoting or including (whether expressly or by implication) an authorised unit trust (other than references in a definition of an authorised unit trust, an unauthorised unit trust or a unit trust scheme), and
- (c) the trustees of an authorised unit trust within sub-paragraph (a) or of a unit trust scheme within sub-paragraph (b),

shall have effect as if they included references to an open-ended investment company.

- (3) The provisions specified in this paragraph are—
 - (a) section 468(1), (4) and (6) to (9)(1);
 - (b) section 468L(8), (9)(d) and (10) to (12)(2);
 - (c) section 469(1)(3);
 - (d) section 470;
 - (e) the definition of “company” in section 839(8);
 - (f) paragraph 6 of Schedule 20;
 - (g) section 80 of the Finance Act 1989;
 - (h) section 152(3) of the Finance Act 1993;
 - (i) section 154(2) of the Finance Act 1994;
 - (j) paragraphs 3 and 8 of Schedule 10 to the Finance Act 1996(4);
 - (k) sections 99(1), 100(2) and 272(5) of the 1992 Act.

General modification—manager of authorised unit trust

6.—(1) Subject to paragraph (2), the modifications specified in this regulation are that references, however expressed, in the Tax Acts and the 1992 Act to the manager of an authorised unit trust or of a unit trust scheme within regulation 5(1)(b) shall have effect as if they included references to the authorised corporate director of the open-ended investment company concerned.

(2) Paragraph (1) shall not apply to section 468(4), to section 272(5) of the 1992 Act, or to references in provisions which include reference, whether made expressly or by implication, to the authorised corporate director of an open-ended investment company.

General modification—unit of authorised unit trust

- 7.—(1) Subject to paragraphs (2) and (3), the modifications specified in this regulation are that—
 - (a) references, however expressed, in the Tax Acts and the 1992 Act to—
 - (i) a unit or an interest in, or rights under, an authorised unit trust,
 - (ii) a unit or an interest in, or rights under, a unit trust scheme within regulation 5(1)(b), or
 - (iii) an entitlement to a share of, or in, the investments subject to the trusts of an authorised unit trust or a unit trust scheme within regulation 5(1)(b),

(1) Section 468 was amended by section 52(2) of, and Part IV of Schedule 19 to, the Finance Act 1990 (c. 29), section 32(3) of the Finance (No. 2) Act 1992 (c. 48), section 113(1) and (2) of, and paragraph 3 of Schedule 14 and Part V(13) of Schedule 26 to, the Finance Act 1994, and paragraph 10(1) of Schedule 6 to the Finance Act 1996 (c. 8).

(2) Section 468L was inserted by paragraph 2 of Schedule 14 to the Finance Act 1994 and amended by paragraph 11 of Schedule 6 to the Finance Act 1996 and by S.I.1997/212.

(3) Section 469(1) was amended by section 113(3)(a) of the Finance Act 1994 and by Part V(1) of Schedule 41 to the Finance Act 1996.

(4) Paragraph 8 of Schedule 10 to the Finance Act 1996 was amended by S.I. 1997/213.

shall have effect as if they included references to a share in the open-ended investment company concerned;

- (b) references, however expressed, in the Tax Acts and the 1992 Act to the holder of a unit within paragraph (a) (other than references in a definition of a unit holder) shall have effect as if they included references to the owner of a share in the open-ended investment company concerned.

(2) Paragraph (1) shall not apply to references in provisions which include reference, whether made expressly or by implication, to shares in, or an owner of shares in, an open-ended investment company.

(3) Paragraph (1) shall in addition not apply to references in any of the provisions specified in paragraph (4).

(4) The provisions specified are—

- (a) section 468(1), (8) and (9);
- (b) section 468L(9)(d) and (10);
- (c) the definition of “company” in section 839(8);
- (d) paragraph 6 of Schedule 20;
- (e) paragraph 8 of Schedule 10 to the Finance Act 1996;
- (f) sections 99(1), 117B(3)(a)(5) and 272(5) of the 1992 Act.

General modification—registered office of company

8.—(1) Subject to paragraph (2), the modifications specified in this regulation are that references in the Tax Acts and the 1992 Act to the registered office of a company shall have effect as if they were references to the head office of an open-ended investment company.

(2) Paragraph (1) shall not apply to references in provisions which include reference, whether made expressly or by implication, to the head office of an open-ended investment company.