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STATUTORY INSTRUMENTS

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**2006 No. 964**

**The Authorised Investment Funds (Tax) Regulations 2006**

**[<sup>F1</sup>PART 6A**

**FUNDS INVESTING IN NON-REPORTING OFFSHORE FUNDS**

**CHAPTER 5**

**Disposal of units in FINROFs**

**[<sup>F1</sup>Application of section 136 of TCGA 1992**

**85Y.**—(1) Section 136 of TCGA 1992 (scheme of reconstruction involving issue of securities treated as exchange not involving disposal) does not apply for the purposes of this Part to the extent that—

- (a) the interest in the entity that is company A for the purposes of that section that is exchanged is units in a FINROF, and
- (b) the interest in the entity that is company B for those purposes that is exchanged is not units in such a fund.

(2) In a case where section 136 of TCGA 1992 would apply apart from paragraph (1), the deemed exchange in question shall for the purposes of this Part constitute a disposal of units in the FINROF for a consideration equal to their market value at the time of the deemed exchange.]

**Textual Amendments**

- F1** Pt. 6A inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Authorised Investment Funds \(Tax\) \(Amendment\) Regulations 2010 \(S.I. 2010/294\)](#), regs. 1(1), **21** (with regs. 25, 26)

**Changes to legislation:**

There are currently no known outstanding effects for the The Authorised Investment Funds (Tax) Regulations 2006, Section 85Y.