

---

STATUTORY INSTRUMENTS

---

**2008 No. 704**

**The Individual Savings Account  
(Amendment) Regulations 2008**

**Amendment of regulation 2 (interpretation)**

3.—(1) Amend regulation 2 as follows.

(2) Amend regulation 2(1)(a) as follows—

(a) for the definition of “approved employee share ownership plan”(1) (and the other expressions defined with that expression) substitute—

““approved SAYE option scheme” shall be construed in accordance with the SAYE code (see section 516(3) of ITEPA 2003(2));

“approved SIP” shall be construed in accordance with the SIP code (see section 488(3) of ITEPA 2003);”;

(b) after the definition of “building society bonus”(3) insert—

““ceasing to be subject to the plan”, in relation to plan shares under an approved SIP, shall be construed in accordance with the SIP code (see section 488(3) of ITEPA 2003);”;

(c) in the definition of “deposit-taker” for “section 481(2) of the Taxes Act” substitute “section 853 of ITA 2007”;

(d) omit the definition of “income tax quarter”;

(e) after the definition of “investment trust” insert the following definitions—

““ITA 2007” means the Income Tax Act 2007(4);

“ITEPA 2003” means the Income Tax (Earnings and Pensions) Act 2003(5);

“ITTOIA 2005” means the Income Tax (Trading and Other Income) Act 2005(6);”;

(f) in the definition of “investment trust” omit the words from “, and references” to the end of that definition;

(g) after the definition of “notice” insert—

““participant”, in relation to an approved SIP, shall be construed in accordance with the SIP code (see section 488(3) of ITEPA 2003);”;

“plan shares”, in relation to an approved SIP, shall be construed in accordance with the SIP code (see section 488(3) of ITEPA 2003) except that—

(a) paragraph 87(6) of Schedule 2 to ITEPA 2003 (meaning of the word “shares” in the context of company reconstructions) shall not apply, and

---

(1) The definition of “approved employee share ownership plan” was inserted by [S.I. 2000/2079](#).

(2) Section 516 was amended by paragraph 605 of Schedule 1 to the Income Tax (Trading and Other Income) Act 2005.

(3) The definition of “building society bonus” was inserted by [S.I. 2006/3194](#).

(4) [2007 c. 3](#).

(5) [2003 c. 1](#).

(6) [2005 c. 5](#).

- (b) in paragraph 88(2) of that Schedule (treatment of shares acquired under rights issue) the words “or securities or rights” shall be treated as omitted;”;
  - (h) in the definition of “relevant authorised person” for “section 333A(12) of the Taxes Act” substitute “section 697(2)(b) of ITTOIA 2005”;
  - (i) in the definition of “relevant European institution” for “section 326A(10) of the Taxes Act” substitute “section 697(2)(a) of ITTOIA 2005”;
  - (j) omit the definition of “savings-related share option scheme”.
- (3) Amend regulation 2(1)(b) as follows—
- (a) in the definition of “authorised fund”(7) omit the words following “investment company”;
  - (b) for the definition of a “Chapter 5 UCITS”(8) substitute—
    - “a “Chapter 5 UCITS” means a UCITS complying with Chapter 5 of the Collective Investment schemes sourcebook;”;
  - (c) omit the definitions of “the first condition”, “the second condition”, “fund of funds scheme”, “money market scheme” and “the New Collective Investment Schemes Sourcebook”(9);
  - (d) for the definition of “open-ended investment company” substitute—
    - ““open-ended investment company” means a company incorporated in the United Kingdom to which section 236 of the Financial Services and Markets Act 2000(10) applies;”;
  - (e) in the definition of “non-UCITS retail scheme”(11), in paragraph (a), omit “New”;
  - (f) in the definition of “qualifying units in or shares of a non-UCITS retail scheme”(12), in paragraph (a), omit “New”;
  - (g) omit the definitions of “securities scheme”(13) and “the 1997 Regulations”;
  - (h) in the definition of “umbrella scheme”—
    - (i) in paragraph (i) of that definition for the words following “Taxes Act,” substitute “and sub-paragraphs (6) and (7) of regulation 7 of the Authorised Investment Funds (Tax) Regulations 2006(14) shall apply for the purposes of these Regulations as they apply for the purposes of those Regulations, and”, and
    - (ii) in paragraph (ii) of that definition for the words following “in accordance with” substitute “subsection (4) of section 468A of the Taxes Act(15), and sub-paragraphs (2) and (3) of regulation 7 of the Authorised Investment Funds (Tax) Regulations 2006 shall apply for the purposes of these Regulations as they apply for the purposes of those Regulations;”;
  - (i) for the definitions of “unit holder” and “unit trust scheme” substitute—

---

(7) The definition of “authorised fund” was inserted by [S.I. 2001/3629](#).

(8) The definition of “Chapter 5 UCITS” was substituted by [S.I. 2004/1677](#).

(9) The definitions of “the first condition” and “the second condition” were inserted by [S.I. 1998/3174](#); the definitions of “fund of funds scheme” and “money market scheme” were substituted for the definitions of “fund of funds” and “money market fund” respectively by [S.I. 2001/3629](#); and the definition of “the new Collective Investment Schemes Sourcebook” was inserted by [S.I. 2004/1677](#).

(10) 2000 c. 8.

(11) The definition of “non-UCITS retail scheme” was inserted by [S.I. 2005/3350](#).

(12) The definition of “qualifying units in or shares of a non-UCITS retail scheme” was inserted by [S.I. 2005/3350](#).

(13) The definition of “securities scheme” was substituted for the definitions of “securities company” and “securities fund” by [S.I. 2001/3629](#).

(14) [S.I. 2006/964](#), to which there are amendments not relevant for these Regulations.

(15) Section 468A was inserted by section 16 of the [Finance \(No. 2\) Act 2005 \(c. 22\)](#).

“unit holder” means a person entitled to a share of the investments subject to the trusts of a unit trust scheme;

“unit trust scheme” has the meaning given by section 237 of the Financial Services and Markets Act 2000;”,

- (j) omit the definition of “warrant scheme”(16).

---

(16) The definition of “warrant scheme” was substituted for the definitions of “warrant company” and “warrant fund” by S.I. 2001/3629.