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STATUTORY INSTRUMENTS

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**2009 No. 3001**

**The Offshore Funds (Tax) Regulations 2009**

**PART 3**

**REPORTING FUNDS AND THE TREATMENT  
OF PARTICIPANTS IN REPORTING FUNDS**

**CHAPTER 6**

**TRANSACTIONS BY CERTAIN REPORTING  
FUNDS WHICH ARE NOT TREATED AS TRADING**

*Conditions to be met by reporting funds for this Chapter to apply*

**The genuine diversity of ownership condition**

**75.**—(1) The genuine diversity of ownership condition is met if the fund meets<sup>[F1]</sup>, or, in relation to a fund constituted by a class of interests in the main arrangements, the main arrangements meet,] conditions A to C throughout the period of account.

(2) Condition A is that the fund produces documents, available to investors and to HMRC, which contain—

- (a) a statement specifying the intended categories of investor,
- (b) an undertaking that interests in the fund will be widely available, and
- (c) an undertaking that interests in the fund will be marketed and made available in accordance with the requirements of paragraph (4)(a).

(3) Condition B is—

- (a) that the specification of the intended categories of investor do not have a limiting or deterrent effect, and
- (b) that any other terms or conditions governing participation in the fund do not have a limiting or deterrent effect.

(4) Condition C is—

- (a) that interests in the fund must be marketed and made available—
  - (i) sufficiently widely to reach the intended categories of investors, and
  - (ii) in a manner appropriate to attract those categories of investors, and
- (b) that a person who falls within one of the intended categories of investors can, upon request to the manager of this fund, obtain information about the fund and acquire units in it.

<sup>[F2]</sup>(5) A fund also meets the genuine diversity of ownership condition if—

- (a) an investor in the fund is an offshore fund, an open-ended investment company or an authorised unit trust scheme (“the feeder fund”),

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**Changes to legislation:** There are currently no known outstanding effects for the The Offshore Funds (Tax) Regulations 2009, Section 75. (See end of Document for details)

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- (b) conditions A to C are met in relation to the fund after taking into account—
  - (i) the fund documents relating to the feeder fund, and
  - (ii) the intended investors in the feeder fund, and
- (c) the fund and the feeder fund have the same manager (or proposed manager).]

**F1** Words in reg. 75(1) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Offshore Funds \(Tax\) \(Amendment\) Regulations 2011 \(S.I. 2011/1211\)](#), regs. 1(1), **38(2)**

**F2** Reg. 75(5) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Offshore Funds \(Tax\) \(Amendment\) Regulations 2011 \(S.I. 2011/1211\)](#), regs. 1(1), **38(3)**

**Modifications etc. (not altering text)**

**C1** [Reg. 75\(2\)](#) modified (1.4.2022 in relation to accounting periods (within the meaning of Part 12 of CTA 2010) that begin on or after that date) by 2010 c. 4, s. 528ZB(5) (as inserted by [Finance Act 2022 \(c. 3\)](#), [Sch. 3 paras. 2\(3\)](#), 6(1))

**Changes to legislation:**

There are currently no known outstanding effects for the The Offshore Funds (Tax) Regulations 2009, Section 75.