

2014 No. 585

CAPITAL GAINS TAX

CORPORATION TAX

INCOME TAX

**The Unauthorised Unit Trusts (Tax) (Amendment) Regulations
2014**

Made - - - - - *12th March 2014*

Laid before the House of Commons *13th March 2014*

Coming into force - - - *6th April 2014*

The Treasury make the following Regulations in exercise of the powers conferred by section 217 of the Finance Act 2013(a).

Citation, commencement and effect

1.—(1) These Regulations may be cited as the Unauthorised Unit Trusts (Tax) (Amendment) Regulations 2014 and come into force on 6th April 2014.

Amendment of the Unauthorised Unit Trusts (Tax) Regulations 2013

2. The Unauthorised Unit Trusts (Tax) Regulations(b) are amended as follows.

Exclusion of certain unit trusts from meaning of “exempt unauthorised unit trust” and “non-exempt unauthorised unit trust”

3. In regulation 3(1)—

(a) at the end of paragraph (b) omit “and”, and

(b) at the end insert—

“, and

(d) it is not treated by regulations made in exercise of the powers conferred by section 1007(2) of ITA 2007(c) as not being a unit trust scheme for the purposes of the definition of “unauthorised unit trust” in section 989 of that Act.”

(a) 2013 c.29.

(b) S.I. 2013/2819.

(c) 2007 c.3. “ITA 2007” is defined as the “Income Tax Act 2007” by section 235(1) of the Finance Act 2013. Section 1007(2) was substituted by S.I. 2009/23. Regulations made under the powers conferred by that section are S.I. 1988/267, amended by S.I. 1992/571, 1992/3133, 1994/1479, 2000/2551 and 2001/3629; and S.I. 1996/1585, amended by S.I. 2001/3629, 2006/745, 2006/1162.

4. In regulation 27, for the words from “not” to the end substitute—

“not—

- (a) an exempt unauthorised unit trust, or
- (b) treated by regulations made in exercise of the powers conferred by section 1007(2) of ITA 2007 as not being a unit trust scheme for the purposes of the definition of “unauthorised unit trust” in section 989 of that Act.”

Application of section 490 of CTA 2009 to non-exempt unauthorised unit trusts

5. After regulation 29, insert—

“Application of section 490 of CTA 2009 to non-exempt unauthorised unit trusts

29A. Section 490 of CTA 2009(a) does not apply to any rights held by a company under a non-exempt unauthorised unit trust scheme.”

*Anne Milton
Mark Lancaster*

12th March 2014

Two of the Lords Commissioners of Her Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Unauthorised Unit Trust (Tax) Regulations 2013 (S.I. 2013/2819) (the “principal Regulations”).

Regulation 1 provides for citation and commencement; and regulation 2 introduces the amendments.

Regulations 3 and 4 amend regulations 3 and 27 of the principal Regulations by providing that certain unauthorised unit trusts may not be an exempt unauthorised unit trust (under regulation 3) or a non-exempt unauthorised unit trust (under regulation 27). The amendments apply to trusts which, under regulations made under section 1007(2) of the Income Tax Act 2007 (c.29), are not unit trust schemes for the purposes of the definition of “unauthorised unit trust” in section 989 of that Act.

Regulation 5 inserts regulation 29A to the principal Regulations. New regulation 29A provides that section 490 of the Corporation Tax Act 2009 (c.3) (which treats certain holdings as rights under a creditor relationship) does not apply to any rights held by a company under a non-exempt unauthorised unit trust scheme.

A Tax Information and Impact Note covering this Instrument will be published on the HMRC website at <http://www.hmrc.gov.uk/thelibrary/tiins.htm>.

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(a) 2009 c.4. “CTA 2009” is defined as the “Corporation Tax Act 2009” by section 235(1) of Finance Act 2013. Section 490 was amended by regulation 131 of S.I. 2009/3001 and by regulation 45 of S.I. 2011/1211.

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