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STATUTORY INSTRUMENTS

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**2020 No. 315**

**The UK Property Rich Collective Investment Vehicles (Amendment of the Taxation of Chargeable Gains Act 1992) Regulations 2020**

**Amendment of Schedule 5AAA to the Taxation of Chargeable Gains Act 1992**

- 10.** In paragraph 13 (qualifying conditions)—
- (a) in sub-paragraph (1), after paragraph (a) insert—
    - “(ab) it is a collective investment scheme, it meets the UK tax condition and it is wholly (or almost wholly) owned by one or more other collective investment schemes each of which meets the genuine diversity of ownership condition,”
  - (b) in sub-paragraph (2), for paragraph (b) substitute—
    - “(b) the collective investment scheme directly owning the company—
      - (i) meets the genuine diversity of ownership condition, or
      - (ii) is wholly (or almost wholly) and directly owned by one or more qualifying partnerships each of which meets the genuine diversity of ownership condition,”
  - (c) after sub-paragraph (2) insert—
    - “(2A) In sub-paragraph (2)(b)—
      - (a) references to direct ownership are to ownership otherwise than through—
        - (i) a company, or
        - (ii) a partnership, trust or other entity or arrangements, and
      - (b) “qualifying partnership” means a collective investment scheme which is constituted by two or more persons carrying on a trade or business in partnership.”
  - (d) in sub-paragraph (3)—
    - (i) in paragraph (a), for “conditions A to C of regulation 75” substitute “the conditions in regulation 75(2), (3), and (4)(a)”,
    - (ii) in paragraph (b), at the end insert “(assuming for this purpose that regulation 75(4)(b) is omitted)”, and
    - (iii) in the words after that paragraph, at the end insert “(and see also paragraphs 46A and 51)”, and
  - (e) at the end insert—
    - “(8) If any of the proceeds arise to a company which is wholly (or almost wholly) owned by one or more investors to which paragraph 33 applies, the company is to be treated for the purposes of sub-paragraph (7) as if it were exempt from corporation tax in respect of chargeable gains accruing to it otherwise than as a result of double taxation arrangements.”