



# Finance Act 1989

## 1989 CHAPTER 26

### PART II

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER I

#### GENERAL

#### *Unit trusts etc.*

78, 79. ....<sup>F1</sup>

#### Textual Amendments

F1 Ss. 78, 79 repealed by Finance Act 1990 (c. 29, SIF 58), s.132, Sch. 19 Pt. IV Note

#### 80 Gilt unit trusts.

- (1) Where, in the case of a certified unit trust and apart from this subsection, section 468(5) of the Taxes Act 1988 would apply as regards a distribution period beginning after 31st December 1989, section 468(5) shall not apply in the case of the trust as regards that period.
- (2) Where by virtue of subsection (1) above the last distribution period as regards which section 468(5) applies in the case of a certified unit trust is one beginning on or before, and ending after, 31st December 1989, the trustees' liability to income tax in respect of any source of income chargeable under Case III of Schedule D shall be assessed as if they had ceased to possess the source of income on the last day of that distribution period.

*Status: Point in time view as at 01/02/1991.*

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1989, Cross Heading: Unit trusts etc.. (See end of Document for details)*

- (3) But where section 67 of the Taxes Act 1988 applies by virtue of subsection(2) above, it shall apply with the omission from subsection (1)(b) of the words from “and shall” to “this provision”.
- (4) For the purposes of this section “certified unit trust” means, as respects a distribution period, a unit trust scheme in the case of which—
- (a) an order under section 78 of the <sup>M1</sup> Financial Services Act 1986 is in force during the whole or part of the accounting period in which the distribution period falls, and
  - (b) a certificate under section 78(8) of that Act, certifying that the scheme complies with the conditions necessary for it to enjoy the rights conferred by the UCITS directive, has been issued before or at any time during that accounting period.
- (5) In this section—

“distribution period” has the same meaning as in section 468 of the Taxes Act 1988,

“the UCITS directive” means the directive of the Council of the European Communities, dated 20th December 1985, on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (No.85/611/EEC), and

“unit trust scheme” has the same meaning as in section 469 of the Taxes Act 1988.

**Marginal Citations**

**M1** 1986 c. 60.

**81 Offshore funds operating equalisation arrangements.**

- (1) In section 758 of the Taxes Act 1988 (offshore funds operating equalisation arrangements) in subsection (6) (reference to section 78 of the <sup>M2</sup> Capital Gains Tax Act 1979 not to include reference to it as applied by section 82) for the words “but not” there shall be substituted the words “and a reference to section 78”.
- (2) This section shall apply where a conversion of securities occurs on or after 14th March 1989; and “conversion of securities” here has the same meaning as in section 82 of the Capital Gains Tax Act 1979.

**Marginal Citations**

**M2** 1979 c. 14.

**Status:**

Point in time view as at 01/02/1991.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1989, Cross Heading: Unit trusts etc..