



Finance Act 2000

2000 CHAPTER 17

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER II

OTHER PROVISIONS

Capital gains tax: gifts and trusts

94 Attribution to trustees of gains of non-resident companies.

- (1) After section 79A of the ^{M1}Taxation of Chargeable Gains Act 1992 (inserted by section 93 above), insert—

“79B Attribution to trustees of gains of non-resident companies.

- (1) This section applies where trustees of a settlement are participators—
- (a) in a close company, or
 - (b) in a company that is not resident in the United Kingdom but would be a close company if it were resident in the United Kingdom.

For this purpose “participator” has the same meaning as in section 13.

- (2) Where this section applies, nothing in any double taxation relief arrangements shall be read as preventing a charge to tax arising by virtue of the attribution to the trustees under section 13, by reason of their participation in the company mentioned in subsection (1) above, of any part of a chargeable gain accruing to a company that is not resident in the United Kingdom.
- (3) Where this section applies and—

Changes to legislation: *There are currently no known outstanding effects for the Finance Act 2000, Section 94. (See end of Document for details)*

- (a) a chargeable gain accrues to a company that is not resident in the United Kingdom but would be a close company if it were resident in the United Kingdom, and
- (b) all or part of the chargeable gain is treated under section 13(2) as accruing to a close company which is not chargeable to corporation tax in respect of the gain by reason of double taxation relief arrangements, and
- (c) had the company mentioned in paragraph (b) (and any other relevant company) not been resident in the United Kingdom, all or part of the chargeable gain would have been attributed to the trustees by reason of their participation in the company mentioned in subsection (1) above,

section 13(9) shall apply as if the company mentioned in paragraph (b) above (and any other relevant company) were not resident in the United Kingdom.

- (4) The references in subsection (3) above to “any other relevant company” are to any other company which if it were not resident in the United Kingdom would be a company in relation to which section 13(9) applied with the result that all or part of the chargeable gain was attributed to the trustees as mentioned in that subsection.”.

- (2) This section applies where a chargeable gain accrues on or after 21st March 2000 to a company that is not resident in the United Kingdom.

Marginal Citations

M1 1992 c. 12.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2000, Section 94.