

SCHEDULES

SCHEDULE 1

Sections 28 and 33

NON-UK RESIDENT VULNERABLE PERSONS: INTERPRETATION

Vulnerable person's actual income

- 1 The “vulnerable person’s actual income” for the tax year means the income that would arise (or be treated as arising) under the Income Tax Acts to the vulnerable person in the tax year on the assumption that the vulnerable person is resident and domiciled in the United Kingdom throughout the tax year.

Trustees' specially taxed income

- 2 The “trustees' specially taxed income” for the tax year means income arising (or treated as arising) to the trustees in the tax year from property held on qualifying trusts for the benefit of the vulnerable person in connection with which special income tax treatment applies for the tax year in accordance with section 25 by virtue of a claim for special tax treatment under this Chapter.

Vulnerable person's deemed CGT taxable amount

- 3 (1) The “vulnerable person’s deemed CGT taxable amount” for the tax year means the sum of—
- (a) the vulnerable person’s taxable amount for the tax year for the purposes of section 3 of TCGA 1992 calculated by reference only to actual gains and actual losses, and
 - (b) the vulnerable person’s taxable amount for the tax year for the purposes of that section calculated by reference only to assumed gains and assumed losses.
- (2) But in calculating the taxable amount under sub-paragraph (1)(b)—
- (a) no deduction is to be made under section 2(2)(b) of TCGA 1992, and
 - (b) the words “except as provided by section 62” in section 2(3) of that Act are to be disregarded.
- (3) In determining the vulnerable person’s deemed CGT taxable amount for the tax year any claims or elections made in relation to any assumed gains of the vulnerable person are to be disregarded.
- (4) In this paragraph—
- (a) “actual gains” and “actual losses” have the meanings given in paragraph 5, and
 - (b) “assumed gains” and “assumed losses” have the meanings given in paragraph 6.

Status: This is the original version (as it was originally enacted).

Vulnerable person's notional section 77 gains

- 4 (1) The “vulnerable person’s notional section 77 gains” for the tax year means the chargeable gains that would be treated as accruing to the vulnerable person in the tax year under section 77 of TCGA 1992 by virtue of section 31 of this Act if the relevant assumptions were made.
- (2) In this paragraph “relevant assumptions” has the meaning given in paragraph 7.

Actual gains and actual losses

- 5 (1) “Actual gains” means any chargeable gains which accrue to the vulnerable person and in respect of which he is chargeable to capital gains tax for the tax year.
- (2) “Actual losses” means—
- (a) any allowable losses accruing to the vulnerable person in the tax year, and
 - (b) so far as they have not been allowed as a deduction from chargeable gains accruing to him in any previous tax year, any allowable losses accruing to him in any previous tax year (not earlier than that beginning on 6th April 1965).

Assumed gains and assumed losses

- 6 (1) “Assumed gains” means any chargeable gains, other than actual gains, which, on the relevant assumptions, would accrue to the vulnerable person and in respect of which, on those assumptions, he would be chargeable to capital gains tax for the tax year.
- (2) “Assumed losses” means any allowable losses, other than actual losses, which, on the relevant assumptions, would accrue to the vulnerable person in the tax year.
- (3) In this paragraph “relevant assumptions” has the meaning given in paragraph 7.

Relevant assumptions

- 7 (1) For the purposes of paragraphs 4 and 6 the “relevant assumptions” are—
- (a) that the vulnerable person is resident and domiciled in the United Kingdom throughout the tax year, and
 - (b) that he has given a notice under subsection (2A) of section 16 of TCGA 1992 (computation of losses) in respect of each loss accruing to him in the tax year which by virtue of subsection (3) of that section would not be an allowable loss (but for the assumption in paragraph (a)).
- (2) But the relevant assumption in sub-paragraph (1)(a) does not apply for the purposes of section 10A of TCGA 1992 (temporary non-residents).