



Income Tax Act 2007

2007 CHAPTER 3

PART 9

SPECIAL RULES ABOUT SETTLEMENTS AND TRUSTEES

CHAPTER 9

UNAUTHORISED UNIT TRUSTS

504 Treatment of income of unauthorised unit trust

- (1) This section applies for income tax purposes in relation to an unauthorised unit trust if the trustees are UK resident.
- (2) If income arises to the trustees, the income is treated as the income of the trustees and not of the unit holders.
- (3) If income tax on any part of the income would apart from this subsection be charged at the dividend ordinary rate or at the savings rate, income tax on that part of the income is charged at the basic rate instead.
- (4) None of the following applies in relation to the income—
 - (a) section 479,
 - (b) section 397(1) of ITTOIA 2005 (tax credits for qualifying distributions),
 - (c) section 399(2) and (6) of ITTOIA 2005 (person not entitled to tax credit treated as having paid income tax), and
 - (d) section 400(2) and (3) of ITTOIA 2005 (person whose income includes non-qualifying distribution treated as having paid income tax).
- (5) Sections 494 and 495 do not apply in relation to payments made by the trustees.

Status:

Point in time view as at 06/04/2007. This version of this provision has been superseded.

Changes to legislation:

There are currently no known outstanding effects for the Income Tax Act 2007, Section 504.