



Income Tax Act 2007

2007 CHAPTER 3

PART 14

INCOME TAX LIABILITY: MISCELLANEOUS RULES

CHAPTER 4

OTHER MISCELLANEOUS RULES

840 Government securities held by non-UK resident central banks

- (1) No liability to income tax arises in respect of income from securities which is—
 - (a) income payable out of the public revenue of the United Kingdom, and
 - (b) income of a bank, or the issue department of a bank, to which this section applies for the time being.
- (2) But subsection (1) does not prevent the income from being taken into account in calculating profits, gains or losses of a business carried on in the United Kingdom.
- (3) Her Majesty may by Order in Council direct that this section applies to a bank or its issue department if it appears to Her Majesty that the bank—
 - (a) is non-UK resident, and
 - (b) is entrusted by the government of a territory outside the United Kingdom with the custody of the territory's principal foreign exchange reserves.
- (4) No recommendation may be made to Her Majesty in Council to make an order under this section unless a draft of the order has been laid before and approved by a resolution of the House of Commons.