

Status: Point in time view as at 15/09/2016.

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SCHEDULES

SCHEDULE 16

PROPERTY AUTHORISED INVESTMENT FUNDS AND CO-OWNERSHIP AUTHORISED CONTRACTUAL SCHEMES

PART 3

CONSEQUENTIAL AMENDMENTS

- 5 FA 2003 is amended in accordance with this Part.
- 6 In section 75C (anti-avoidance: supplemental), in subsection (4), after
“Schedule 6A” insert “, 7A”.
- 7 (1) Section 81 (further return where relief withdrawn) is amended as follows.
- (2) In subsection (1)—
- (a) omit “or” at the end of paragraph (b), and
 - (b) after paragraph (b) insert—
 - “(ba) paragraph 5, 7 or 8 of Schedule 7A (PAIF seeding relief),
 - (bb) paragraph 13, 17 or 18 of Schedule 7A (COACS seeding relief), or”.
- (3) In subsection (1A), after “transactions)” insert “, or under paragraph 6 of Schedule 7A (PAIF seeding relief) or paragraph 14 or 16 of Schedule 7A (COACS seeding relief),”.
- (4) In subsection (1B), after paragraph (e) insert—
- “(f) in the case of relief under paragraph 6 of Schedule 7A (PAIF seeding relief: portfolio test)—
 - (i) where relief is withdrawn under paragraph 6(1), the last day of the seeding period (see paragraph 3 of that Schedule), or
 - (ii) where relief is withdrawn under paragraph 6(3), the first time mentioned in paragraph 6(3)(a) or (b) at which the portfolio test was not met;
 - (g) in the case of relief under paragraph 14 of Schedule 7A (COACS seeding relief: genuine diversity of ownership condition), the first time mentioned in paragraph 14(1) at which the genuine diversity of ownership condition was not met;
 - (h) in the case of relief under paragraph 16 of Schedule 7A (COACS seeding relief: portfolio test)—
 - (i) where relief is withdrawn under paragraph 16(1), the last day of the seeding period (see paragraph 11 of that Schedule), or

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- (ii) where relief is withdrawn under paragraph 16(3), the first time mentioned in paragraph 16(3)(a) or (b) at which the portfolio test was not met.”
- (5) In subsection (4), after paragraph (b) insert—
- “(ba) in relation to the withdrawal of PAIF seeding relief—
- (i) the purchaser ceasing to be a property AIF as mentioned in paragraph 5 of Schedule 7A,
- (ii) a person making a relevant disposal of units as mentioned in paragraph 7 of that Schedule, or
- (iii) the grant of permission to a non-qualifying individual to occupy a dwelling as mentioned in paragraph 8 of that Schedule;
- (bb) in relation to the withdrawal of COACS seeding relief—
- (i) the purchaser ceasing to be a co-ownership authorised contractual scheme as mentioned in paragraph 13 of Schedule 7A,
- (ii) a person making a relevant disposal of units as mentioned in paragraph 17 of that Schedule, or
- (iii) the grant of permission to a non-qualifying individual to occupy a dwelling as mentioned in paragraph 18 of that Schedule;”.
- 8 In section 86 (payment of tax), in subsection (2)—
- (a) omit “or” at the end of paragraph (b), and
- (b) after paragraph (b) insert—
- “(ba) Part 1 of Schedule 7A (PAIF seeding relief),
- (bb) Part 2 of Schedule 7A (COACS seeding relief), or”.
- 9 (1) Section 87 (interest on unpaid tax) is amended as follows.
- (2) In subsection (3)—
- (a) in paragraph (a)—
- (i) omit “or” at the end of sub-paragraph (ii), and
- (ii) after sub-paragraph (ii) insert—
- “(ia) paragraph 5, 7 or 8 of Schedule 7A (PAIF seeding relief),
- (ib) paragraph 13, 17 or 18 of Schedule 7A (COACS seeding relief), or”;
- (b) after paragraph (aza) insert—
- “(azb) in the case of an amount payable under paragraph 6(3) of Schedule 7A (PAIF seeding relief: portfolio test), the first time mentioned in paragraph 6(3)(a) or (b) at which the portfolio test was not met;
- (azc) in the case of an amount payable under paragraph 14(1) of Schedule 7A (COACS seeding relief: genuine diversity of ownership condition) because the genuine diversity of ownership condition was not met at a time mentioned in paragraph 14(1)(b) or (c), the first time mentioned in paragraph 14(1)(b) or (c) at which that condition was not met;

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- (azd) in the case of an amount payable under paragraph 16(3) of Schedule 7A (COACS seeding relief: portfolio test), the first time mentioned in paragraph 16(3)(a) or (b) at which the portfolio test was not met;”.
- (3) In subsection (4), for “means—” to the end substitute “ has the same meaning as in section 81(4). ”
- 10 In section 118 (market value)—
- (a) the existing text becomes subsection (1), and
- (b) after subsection (1) insert—
- “(2) This is subject to paragraphs 7(7) and 17(7) of Schedule 7A (which define “market value” for certain purposes of PAIF seeding relief and COACS seeding relief).”
- 11 In section 122 (index of defined expressions), at the appropriate place insert—
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|---|-------------------------------|
| “COACS seeding relief | Schedule 7A, paragraph 10(1)” |
| “co-ownership authorised contractual section 102A” scheme | |
| “operator (in relation to a co-ownership section 102A” authorised contractual scheme) | |
| “PAIF seeding relief | Schedule 7A, paragraph 1(1)”. |
- 12 In Schedule 4A (SDLT: higher rate for certain transactions), in paragraph 2(6)—
- (a) omit “and” at the end of paragraph (d),
- (b) after paragraph (d) insert—
- “(da) Schedule 7A (PAIF seeding relief and COACS seeding relief), and”, and
- (c) in paragraph (e), for “(d)” substitute “ (da) ”.
- 13 In Schedule 6B (transfers involving multiple dwellings), in paragraph 2(4)(b), after “Schedule 7” insert “ , Schedule 7A ”.
- 14 (1) In Schedule 17A (further provisions relating to leases), paragraph 11 (cases where assignment of lease treated as grant of lease) is amended as follows.
- (2) In sub-paragraph (3), after paragraph (b) insert—
- “(ba) Part 1 or 2 of Schedule 7A (PAIF seeding relief and COACS seeding relief);”.
- (3) In sub-paragraph (4), after “acquisition relief” insert “ , PAIF seeding relief, COACS seeding relief ”.
- (4) In sub-paragraph (5), after paragraph (b) insert—
- “(ba) in relation to the withdrawal of PAIF seeding relief—
- (i) the purchaser ceasing to be a property AIF as mentioned in paragraph 5 of Schedule 7A,

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- (ii) a person making a relevant disposal of units as mentioned in paragraph 7 of that Schedule, or
- (iii) the grant of permission to a non-qualifying individual to occupy a dwelling as mentioned in paragraph 8 of that Schedule;
- (bb) in relation to the withdrawal of COACS seeding relief—
 - (i) the purchaser ceasing to be a co-ownership authorised contractual scheme as mentioned in paragraph 13 of Schedule 7A,
 - (ii) a person making a relevant disposal of units as mentioned in paragraph 17 of that Schedule, or
 - (iii) the grant of permission to a non-qualifying individual to occupy a dwelling as mentioned in paragraph 18 of that Schedule;”.
- (5) After sub-paragraph (5) insert—
 - “(6) This paragraph also does not apply where the relief in question is PAIF seeding relief or COACS seeding relief and is withdrawn as a result of a requirement not being met at a time which is before the effective date of the assignment of the lease.
 - (7) For the purposes of sub-paragraph (6), the reference to a requirement not being met is a reference to—
 - (a) in relation to the withdrawal of PAIF seeding relief under paragraph 6 of Schedule 7A, the portfolio test not being met (see paragraph 6(7));
 - (b) in relation to the withdrawal of COACS seeding relief under paragraph 14 of Schedule 7A, the genuine diversity of ownership condition not being met (see paragraph 15);
 - (c) in relation to the withdrawal of COACS seeding relief under paragraph 16 of Schedule 7A, the portfolio test not being met (see paragraph 16(7)).”

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