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STATUTORY INSTRUMENTS

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**2009 No. 3001**

**The Offshore Funds (Tax) Regulations 2009**

**PART 3**

**REPORTING FUNDS AND THE TREATMENT  
OF PARTICIPANTS IN REPORTING FUNDS**

**CHAPTER 8**

**THE TAX TREATMENT OF PARTICIPANTS IN REPORTING FUNDS**

*Disposals and deemed disposals of interests*

**Deemed disposals of interests**

**100.**—(1) This regulation applies if an offshore fund ceases to be a reporting fund and becomes a non-reporting fund.

- (2) A participant in the fund may make an election to be treated for the purposes of TCGA 1992—
- (a) as disposing of an interest in the reporting fund at the end of that fund's final period of account, and
  - (b) as acquiring an interest in the non-reporting fund at the beginning of that fund's first period of account.

This is subject to paragraph (3).

(3) The election mentioned in paragraph (2) may only be made if a report has been made available to the participant under regulation 90 for the reporting fund's final period of account.

(4) The disposal referred to in paragraph (2)(a) is treated as made for a consideration equal to the net asset value of the participant's interest in the fund at the end of the period of account for which the final reported income is reported to the participant.

(5) The acquisition referred to in paragraph (2)(b) is treated as made for the same amount as the disposal referred to in paragraph (2)(a).

(6) If the participant is chargeable to income tax, the election mentioned in paragraph (2) must be made by being included in a return made for the tax year which includes the disposal date.

(7) If the participant is chargeable to corporation tax, the election mentioned in paragraph (2) must be made by being included in the participant's company tax return for the accounting period which includes the disposal date.

(8) In this regulation—

“company tax return” has the same meaning as in Schedule 18 to the Finance Act 1998<sup>M1</sup>;

“disposal date” means the final day of the reporting fund's final period of account.

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**Changes to legislation:** There are currently no known outstanding effects for the The Offshore Funds (Tax) Regulations 2009, Section 100. (See end of Document for details)

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**Marginal Citations**

**M1** 1998 c. 36.

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There are currently no known outstanding effects for the The Offshore Funds (Tax) Regulations 2009, Section 100.