
STATUTORY INSTRUMENTS

2020 No. 315

The UK Property Rich Collective Investment Vehicles (Amendment of the Taxation of Chargeable Gains Act 1992) Regulations 2020

Amendment of Schedule 5AAA to the Taxation of Chargeable Gains Act 1992

13. In paragraph 33 (exemption for disposals by companies wholly owned by certain investors)—

(a) for sub-paragraphs (1) and (2) substitute—

“(1) This paragraph applies in the case of—

- (a) a collective investment vehicle in respect of which an election under paragraph 8 has been made (a “transparent fund”),
- (b) a qualifying fund or qualifying company in respect of which an election under paragraph 12 has been made,
- (c) a company which is a company UK REIT or is the principal company of a group UK REIT, or
- (d) an open-ended investment company to which Part 4A of the Authorised Investment Funds (Tax) Regulations 2006⁽¹⁾ applies and which is UK property rich (a “PAIF”);

and a reference in the remainder of this paragraph to the fund concerned is to the transparent fund, the relevant fund, the company UK REIT or principal company, or the PAIF (as the case may be).

(2) If—

- (a) a participant in the fund concerned disposes of a unit in the fund concerned, and
- (b) the participant is a company which is wholly (or almost wholly) owned by one or more investors to which this paragraph applies,

any gain accruing on the disposal is not a chargeable gain.”,

(b) after sub-paragraph (2) insert—

“(2A) If a company which is wholly (or almost wholly) owned by one or more investors to which this paragraph applies disposes of a right or interest in a company whose assets consist wholly of units in the fund concerned, any gain accruing on the disposal is not a chargeable gain.”, and

(c) for sub-paragraph (3) substitute—

“(3) Nothing in paragraph 21 is to result in a deemed disposal of an asset held by—

- (a) an investor to which this paragraph applies who is not an insurance company, or
- (b) a company which is wholly (or almost wholly) owned by one or more investors to which this paragraph applies each of whom is not an insurance company.”.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.
