
STATUTORY INSTRUMENTS

2022 No. 572

The Alternative Finance (Income Tax, Capital Gains Tax and Corporation Tax) Order 2022

Diminishing shared ownership arrangements: capital gains tax

3.—(1) Section 151K of TCGA 1992(1) (diminishing shared ownership arrangements) is amended as follows.

(2) In subsection (1)—

- (a) in paragraph (a), for “financial institution” substitute “person”, and
- (b) after that paragraph insert—

“(aa) either—

- (i) the first owner is a financial institution or a regulated home purchase plan provider, or
- (ii) the arrangements are regulated electronic system facilitated arrangements.”.

(3) After that subsection insert—

“(1A) Arrangements are regulated electronic system facilitated arrangements if—

- (a) the arrangements substantially consist of an article 36H agreement in relation to the enjoyment by the eventual owner of the rights referred to in subsection (1) (f) and (g) before the eventual owner’s acquisition of the first owner’s beneficial interest,
- (b) the eventual owner would be regarded, for the purposes of that agreement, as the borrower under it,
- (c) the first owner would be regarded, for the purposes of that agreement, as the lender under it,
- (d) those owners becoming parties to the agreement was facilitated by an electronic system operated by a person who has permission under Part 4A of the Financial Services and Markets Act 2000 to carry on, in relation to that system, the regulated activity specified in article 36H(1) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (S.I. 2001/544) (operating an electronic system in relation to lending).”.

(4) After subsection (7) insert—

“(8) In this section—

“article 36H agreement” has the meaning given by article 36H(4) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;

“borrower” and “lender” are to be construed in accordance with article 36H(9) of that Order;

“regulated home purchase plan provider” means a person who—

(1) 1992 c. 12; section 151K was inserted by paragraph 31 of Schedule 2 to the Taxation (International and Other Provisions) Act 2010.

Status: This is the original version (as it was originally made).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

- (a) is carrying on the regulated activity specified in article 63F(1) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (entering into regulated home purchase plans as home purchase provider), and
- (b) has permission under Part 4A of the Financial Services and Markets Act 2000 to do so.”.