
SCOTTISH STATUTORY INSTRUMENTS

2015 No. 322

The Land and Buildings Transaction Tax (Open-ended Investment Companies) (Scotland) Regulations 2015

Amalgamation of an authorised unit trust with an open-ended investment company - exemption from land and buildings transaction tax charge

4.—(1) A land transaction transferring any property which is subject to the trusts of an authorised unit trust (“the target trust”) to an open-ended investment company (“the acquiring company”) is exempt from charge to land and buildings transaction tax if the conditions set out in paragraph (2) are fulfilled.

(2) Those conditions are that—

- (a) the transfer forms part of an arrangement for the amalgamation of an authorised unit trust with an open-ended investment company, whereby the whole of the available property of the target trust becomes part (but not the whole) of the property of the acquiring company;
- (b) under the arrangement all the units in the target trust are extinguished;
- (c) the consideration under the arrangement consists of or includes the issue of shares (“the consideration shares”) in the acquiring company to the persons who held the extinguished units;
- (d) the consideration shares are issued to those persons in proportion to their holdings of the extinguished units; and
- (e) the consideration under the arrangement does not include anything else, other than the assumption or discharge by the acquiring company of liabilities of the trustees of the target trust.

(3) Relief under this regulation must be claimed in a land transaction return or an amendment of such a return.