
DRAFT STATUTORY INSTRUMENTS

2009 No.

The Offshore Funds (Tax) Regulations 2009

PART 3

REPORTING FUNDS AND THE TREATMENT
OF PARTICIPANTS IN REPORTING FUNDS

CHAPTER 12

CONSTANT NAV FUNDS

Interpretation

Meaning of “constant NAV fund”

118.—(1) In these Regulations a “constant NAV fund” means an offshore fund that meets conditions A and B.

(2) Condition A is that the net asset value of the fund (expressed in the currency in which units are issued) will not fluctuate by more than an insignificant amount throughout the fund’s existence.

(3) Condition B is that condition A is met as a result of—

- (a) the nature of the fund’s assets, and
- (b) the frequency with which the fund distributes its income.