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Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART XV

SETTLEMENTS

Modifications etc. (not altering text)

C1 Pt. 15 modified (with effect in accordance with s. 105(1) of the modifying Act) by Finance Act 1996 (c. 8), Sch. 13 para. 6(1) (with Sch. 13 para. 16, Sch. 15)

[F1CHAPTER IA

LIABILITY OF SETTLOR

Textual Amendments

F1 Pt. 15 Ch. 1A inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 1

Modifications etc. (not altering text)

- C2 Pt. 15 Ch. 1A excluded (with effect in accordance with s. 44(6) of the affecting Act) by Finance Act 2000 (c. 17), s. 44(1)
- C3 Pt. 15 Ch. 1A modified (with effect in accordance with s. 45(3) of the modifying Act) by Finance Act 2000 (c. 17), s. 45(1)

Main provisions

660A	Income arising under settlement where settlor	retains an	interest
	F2		

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Textua	1 A	mend	ments

F2 Ss. 660A, 660B repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 271, Sch. 3 (with Sch. 2)

660B	Payments to	unmarried minor	children o	f settlor.

F3

Textual Amendments

F3 Ss. 660A, 660B repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 271, Sch. 3 (with Sch. 2)

660C Nature of charge on settlor.

(1)														
[F5(1A)	F4.	 												.]
(2)	F4.	 												
(3)	F6.	 												
F ⁷ (4)	F8	 												.]

Textual Amendments

- F4 S. 660C(1)-(2) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 272(2), Sch. 3 (with Sch. 2)
- F5 S. 660C(1A) inserted (with effect in accordance with Sch. 4 para. 14(4) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 4 para. 14(3)
- F6 S. 660C(3) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 144, Sch. 3 Pt. 1 (with Sch. 2)
- F7 S. 660C(4) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 272(4) (with Sch. 2)
- F8 S. 660C(4) repealed (with effect in accordance with Sch. 5 para. 2(2)(3) of the repealing Act) by Finance Act 2007 (c. 11), Sch. 5 para. 2(1), Sch. 27 Pt. 2(3), Note

660D Adjustments between settlor and trustees, &c.

F)																															
	٠	٠	٠	٠	٠	•	٠	•	•	٠	٠	•	•	٠	٠	٠	٠	•	٠	•	•	٠	•	•	٠	٠	•	٠	٠	•	•	•

Textual Amendments

F9 Ss. 660D-660G repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 273, Sch. 3 (with Sch. 2)

CHAPTER I – DISPOSITIONS FOR SHORT PERIODS

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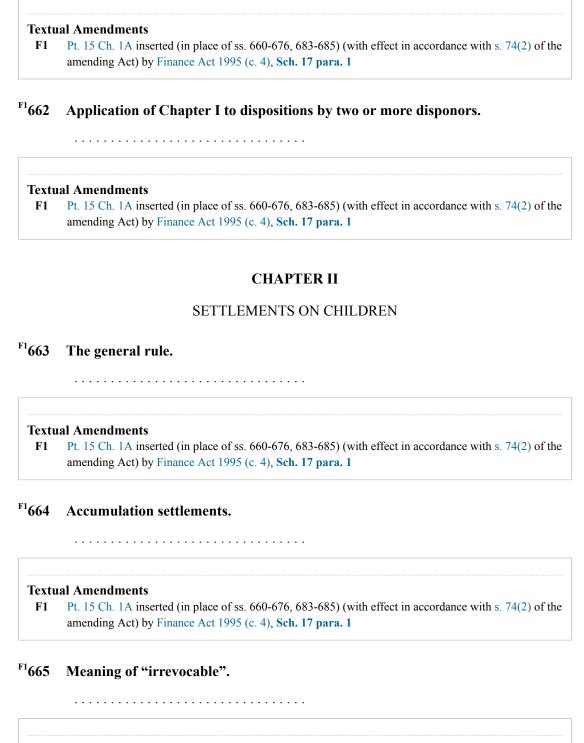
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Supplementary provisions

660E	Application to settlements by two or more settlors.										
	F10										
Т4	-1 A d d										
F10	Ss. 660D-660G repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 273, Sch. 3 (with Sch. 2)										
660F	Power to obtain information.										
	F11										
Textu	al Amendments										
F11	Ss. 660D-660G repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 273, Sch. 3 (with Sch. 2)										
660G	Meaning of "settlement" and related expressions.										
	F12										
Textu	al Amendments										
F12	Ss. 660D-660G repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 273, Sch. 3 (with Sch. 2)										
	CHAPTER I										
	DISPOSITIONS FOR SHORT PERIODS										
^{F1} 660	Dispositions for period which cannot exceed six years.										
Textu	al Amendments										
F1	Pt. 15 Ch. 1A inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 1										
^{F1} 661	Adjustments between disponor and trustees.										

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Textual Amendments

Pt. 15 Ch. 1A inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 1

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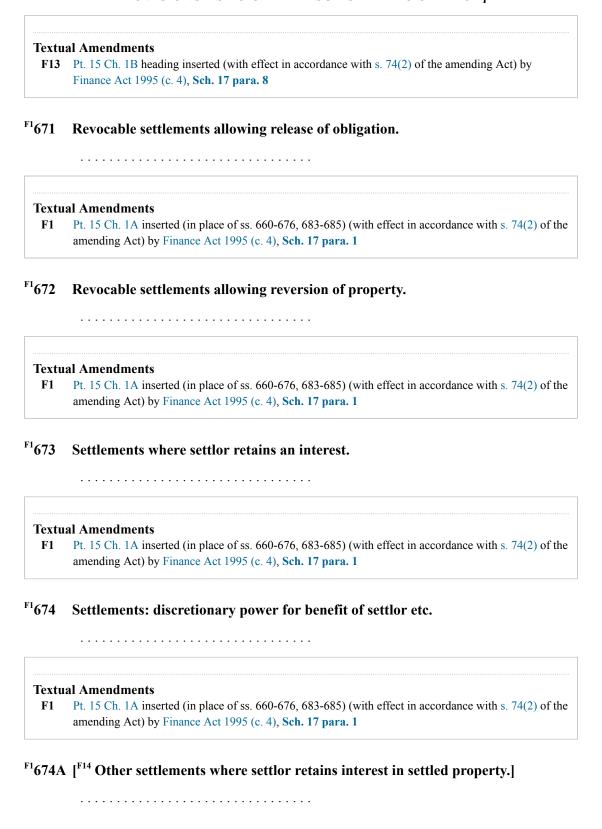
^{F1} 666	Interest paid by trustees.
Textu	ual Amendments
F1	Pt. 15 Ch. 1A inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 1
^{F1} 667	Adjustments between disponor and trustees.
Textu	ual Amendments
F1	Pt. 15 Ch. 1A inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 1
^{F1} 668	Application of Chapter II to settlements by two or more settlors.
Textu	ual Amendments
F1	Pt. 15 Ch. 1A inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 1
^{F1} 669	Power to obtain information under Chapter II.
Textu	ual Amendments
F1	Pt. 15 Ch. 1A inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 1
^{F1} 670	Interpretation of Chapter II.
Textu	ıal Amendments
F1	Pt. 15 Ch. 1A inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the

amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 1

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F¹³CHAPTER 1B

PROVISIONS AS TO CAPITAL SUMS PAID TO SETTLORI



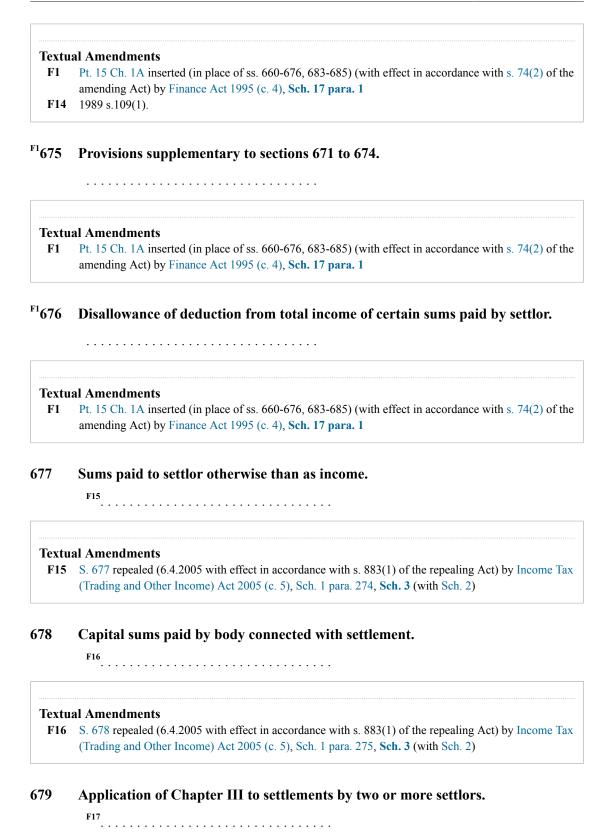
 $PART\ XV-SETTLEMENTS$

CHAPTER 1B – PROVISIONS AS TO CAPITAL SUMS PAID TO SETTLOR

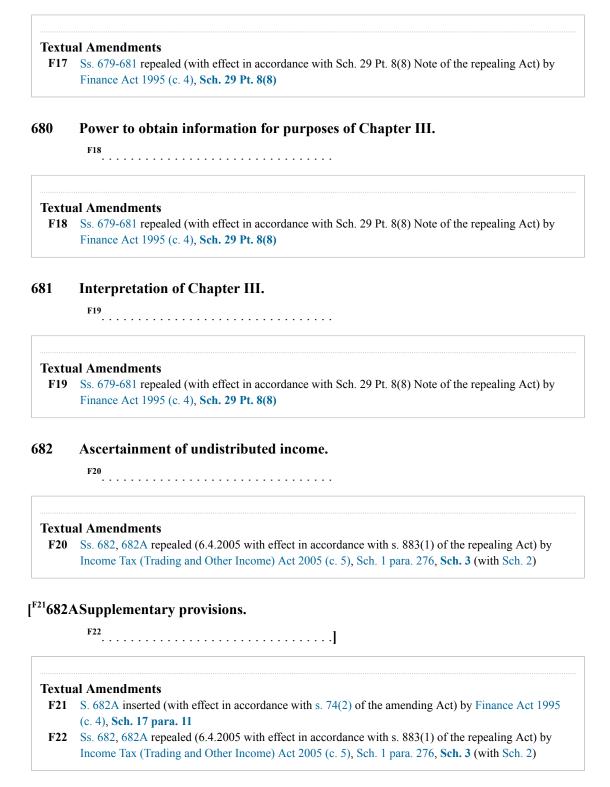
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CHAPTER IC – LIABILITY OF TRUSTEES

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[F23CHAPTER 1C

LIABILITY OF TRUSTEES!

Textual Amendments

F23 Pt. 15 Ch. 1C heading substituted for heading before s. 686 (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 12

Modifications etc. (not altering text)

C4 Pt. 15 Ch. 1C modified (6.4.2005 with effect in accordance with s. 883(1) of the modifying Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 457(1)(3) (with Sch. 2)

F24

Textual Amendments

F24 Ss. 683-685 repealed (with effect in accordance with Sch. 29 Pt. 8(8) Note of the repealing Act) by Finance Act 1995 (c. 4), Sch. 29 Pt. 8(8)

683	Settlements	made	after	6th	Anril	1965

F25

Textual Amendments

F25 Ss. 683-685 repealed (with effect in accordance with Sch. 29 Pt. 8(8) Note of the repealing Act) by Finance Act 1995 (c. 4), Sch. 29 Pt. 8(8)

684 Settlements made before 7th April 1965 but after 9th April 1946.

.....

Textual Amendments

F26 Ss. 683-685 repealed (with effect in accordance with Sch. 29 Pt. 8(8) Note of the repealing Act) by Finance Act 1995 (c. 4), Sch. 29 Pt. 8(8)

Provisions supplementary to sections 683 and 684.

F27

Textual Amendments

F27 Ss. 683-685 repealed (with effect in accordance with Sch. 29 Pt. 8(8) Note of the repealing Act) by Finance Act 1995 (c. 4), Sch. 29 Pt. 8(8)

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F28

Textual Amendments

F28 Cross-heading before s. 686 replaced by Pt. 15 Ch. 1C heading (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 12

[F29685AMeaning of "settled property"

F30

Textual Amendments

- F29 Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), Sch. 13 para. 1(1)
- F30 Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

685B Meaning of "settlor"

F31

Textual Amendments

- F29 Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), Sch. 13 para. 1(1)
- F31 Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

685C Transfer between settlements: identification of settlor

F32

Textual Amendments

- F29 Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), Sch. 13 para. 1(1)
- F32 Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

685D Variation of will or intestacy, etc: identification of settlor

F33

Textual Amendments

F29 Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), Sch. 13 para. 1(1)

CHAPTER 1C – LIABILITY OF TRUSTEES Document Generated: 2024-07-18

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F33 Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

685E Trustees of settlements F34

Textual Amendments

- F29 Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), Sch. 13 para. 1(1)
- **F34** Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, **Sch. 3 Pt. 1** (with Sch. 2)

685F Application of section 739 and 740

F35

Textual Amendments

- F29 Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), Sch. 13 para. 1(1)
- F35 Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

685G Sub-funds

Textual Amendments

- F29 Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), Sch. 13 para. 1(1)
- F36 Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

686 [F37Accumulation and discretionary trusts: special rates of tax.]

F38

Textual Amendments

- F37 S. 686 sidenote substituted (with effect in accordance with s. 32(11) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), s. 32(8)
- F38 Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

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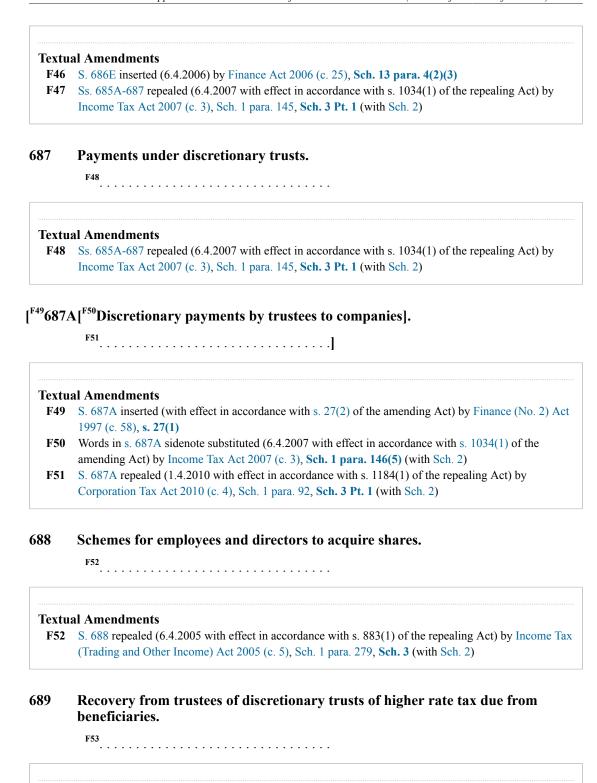
F40
al Amendments
S. 686A inserted (with effect in accordance with s. 32(11) of the amending Act) by Finance (No. 2)
Act 1997 (c. 58), s. 32(9) Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2) (subject to an amendment to s 686A(2)(a) by Finance Act 2007 (c. 11), s. 55(1)(3))
Share incentive plans: distributions in respect of unappropriated shares
F42
al Amendments
Ss. 686B, 686C inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 100 (with Sch. 2 para. 87, Sch. 7)
Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)
Interpretation of section 686B
F43
al Amendments
Ss. 686B, 686C inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 100 (with Sch. 2 para. 87, Sch. 7)
Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)
OSpecial trust rates not to apply to first slice of trust income
F45
al Amendments
S. 686D inserted (with effect in accordance with s. 14(5) of the amending Act) by Finance Act 2005 (c. 7), s. 14(1)
Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

CHAPTER 1C – LIABILITY OF TRUSTEES

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Textual Amendments

F53 S. 689 repealed (with effect in accordance with s. 74(2), Sch. 29 Pt. 8(8) Note of the repealing Act) by Finance Act 1995 (c. 4), Sch. 17 para. 15, Sch. 29 Pt. 8(8)

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[F54CHAPTER ID

TRUST MANAGEMENT EXPENSES

Textus F54	al Amendments Pt. 15 Ch. 1D (ss. 689A, 689B) inserted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by Finance Act 1996 (c. 8), Sch. 6 para. 16
689A	Disregard of expenses where beneficiary non-resident.
Textu	al Amendments
F55	S. 689A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 147, Sch. 3 Pt. 1 (with Sch. 2)
689B	Order in which expenses to be set against income.
	F56
Textu	al Amendments
F56	S. 689B repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 93, Sch. 3 Pt. 1 (with Sch. 2)
	CHAPTER V
	MAINTENANCE FUNDS FOR HISTORIC BUILDINGS
690	Schedule 4 directions.
	F57
Textu	al Amendments
F57	Ss. 690-694 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 149, Sch. 3 Pt. 1 (with Sch. 2)
691	Certain income not to be income of settlor etc.
	F58

CHAPTER V – MAINTENANCE FUNDS FOR HISTORIC BUILDINGS

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Textual Amendments

Ss. 690-694 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 149, Sch. 3 Pt. 1 (with Sch. 2)

692 Reimbursement of settlor.

F59

Textual Amendments

F59 Ss. 690-694 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 149, Sch. 3 Pt. 1 (with Sch. 2)

693 Severance of settled property for certain purposes.

F60

Textual Amendments

F60 Ss. 690-694 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 149, **Sch. 3 Pt. 1** (with Sch. 2)

[F61 Trustees chargeable to income tax in certain cases at higher rate reduced by rate applicable to trusts]

F62

Textual Amendments

F61 S. 694 sidenote substituted (22.7.2004) by Finance Act 2004 (c. 12), **Sch. 4 para. 2**

F62 Ss. 690-694 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 149, **Sch. 3 Pt. 1** (with Sch. 2)

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