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**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax (Trading and Other Income) Act 2005. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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## SCHEDULES

### SCHEDULE 2

#### TRANSITIONALS AND SAVINGS ETC.

#### PART 7

##### SAVINGS AND INVESTMENT INCOME: GAINS FROM CONTRACTS FOR LIFE INSURANCE ETC. (PERSONAL PORTFOLIO BONDS)

###### *The second selection condition*

- 123 (1) A policy or contract meets the second selection condition at any time if it meets conditions A to C.
- (2) Condition A is that for some or all of the period beginning with 6th April 1994 and ending with that time it has been possible to determine the whole or any part of the benefits under the policy or contract by reference to—
- (a) an index other than a permitted index, or
  - (b) property other than permitted property.
- (3) Condition B is that at no time during that period have the benefits under the policy or contract actually been determined by reference to such property or such an index.
- (4) Condition C is that the terms of the policy or contract were varied before the end of the first insurance year in relation to the policy or contract which began on or after 6th April 1999 so that, since that variation,—
- (a) the only index which it has been possible to select as mentioned in section 516(4) is a permitted index, and
  - (b) the only property which it has been possible to select as mentioned in section 516(4) is permitted property.
- (5) Condition C is subject to paragraphs 124 and 125 (which modify it in cases where any holder of the policy or contract was not UK resident on 17th March 1998 and has become UK resident since that date).

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 7A-7D inserted by [2022 c. 3 Sch. 1 para. 3](#)
- s. 24A and cross-heading inserted by [2024 c. 3 Sch. 10 para. 2](#)
- s. 25B inserted by [2024 c. 3 Sch. 10 para. 11](#)
- s. 25C inserted by [2024 c. 3 Sch. 10 para. 5](#)
- s. 31E(4) inserted by [2022 c. 3 Sch. 1 para. 7\(3\)](#)
- s. 649(1A)(1B) inserted by [2023 c. 30 Sch. 2 para. 11\(2\)](#)
- s. 679(3A) inserted by [2023 c. 30 Sch. 2 para. 11\(5\)\(b\)](#)
- s. 679A(3A) inserted by [2023 c. 30 Sch. 2 para. 11\(6\)\(b\)](#)
- s. 680(1A) inserted by [2023 c. 30 Sch. 2 para. 11\(7\)\(a\)](#)