



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 12

#### ACCRUED INCOME PROFITS

### CHAPTER 2

#### ACCRUED INCOME PROFITS AND LOSSES

##### *Excluded transferors and transferees*

#### **639 Small holdings: individuals**

- (1) In relation to a transfer with accrued interest or transfer without accrued interest, an individual is an excluded transferor or excluded transferee unless the nominal value of securities held by the individual exceeds £5,000 on any day—
  - (a) in the tax year in which the interest period ends, or
  - (b) in the previous tax year.
- (2) In relation to a transfer with unrealised interest, an individual is an excluded transferor or excluded transferee unless the nominal value of securities held by the individual exceeds £5,000 on any day—
  - (a) in the tax year in which the settlement day falls, or
  - (b) in the previous tax year.
- (3) In relation to a transfer of variable rate securities, an individual is an excluded transferor unless the nominal value of securities held by the individual exceeds £5,000 on any day in the relevant tax year or the previous tax year.
- (4) In subsection (3) “the relevant tax year” means—
  - (a) if the settlement day falls in an interest period, the tax year in which the interest period ends, or
  - (b) otherwise, the tax year in which the settlement day falls.

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***Changes to legislation:*** *There are currently no known outstanding effects for the Income Tax Act 2007, Section 639. (See end of Document for details)*

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- (5) For the purposes of this section, if—
- (a) an individual holds securities at a particular time, and
  - (b) any interest on them which became payable at that time would be treated for income tax purposes as part of another individual's income,
- each of those individuals is treated as holding at that time the securities which the other holds, as well as those which that individual actually holds.

**Changes to legislation:**

There are currently no known outstanding effects for the Income Tax Act 2007, Section 639.