



Income Tax Act 2007

2007 CHAPTER 3

PART 15

DEDUCTION OF INCOME TAX AT SOURCE

CHAPTER 2

DEDUCTION BY DEPOSIT-TAKERS AND BUILDING SOCIETIES

Investments which are not relevant investments: non-UK resident beneficiaries

861 Declarations of non-UK residence: settlements

- (1) This section applies to an investment with a deposit-taker or building society which meets the settlement condition in section 856(6).
- (2) The investment is not a relevant investment if—
 - (a) an appropriate person has made the declaration set out in subsection (3) to the deposit-taker or building society,
 - (b) the declaration contains the undertaking set out in subsection (4),
 - (c) the declaration contains such information as the Commissioners for Her Majesty's Revenue and Customs may reasonably require, and
 - (d) the declaration is in such form as the Commissioners may prescribe or authorise.
- (3) The declaration is that, at the time when the declaration is made—
 - (a) the trustees who are entitled to the interest are non-UK resident (see section 475), and
 - (b) no person who is a trustee has reasonable grounds for believing that any beneficiary under the settlement is—
 - (i) an individual who is ordinarily UK resident,
 - (ii) a company which is UK resident, or

Status: This is the original version (as it was originally enacted).

- (iii) a Scottish partnership any of the partners of which is an individual who is ordinarily UK resident or a company which is UK resident.
- (4) The undertaking is an undertaking by the person making it to notify the person to whom it is made if—
- (a) the trustees become UK resident,
 - (b) an individual in respect of whom it is made becomes ordinarily UK resident,
 - (c) a company in respect of which it is made becomes UK resident,
 - (d) an individual partner in any Scottish partnership in respect of which it is made becomes ordinarily UK resident,
 - (e) a company partner in any Scottish partnership in respect of which it is made becomes UK resident,
 - (f) a partner who is an ordinarily UK resident individual or a UK resident company joins any Scottish partnership in respect of which it is made, or
 - (g) a person within any of sub-paragraphs (i) to (iii) of subsection (3)(b) becomes or is found to be a beneficiary under the settlement to which the declaration relates.
- (5) In this section “appropriate person” means—
- (a) any person who is a trustee entitled to receive interest on the investment, or
 - (b) a person to whom any such interest is payable.
- (6) References in this section to a beneficiary under the settlement are to be construed in accordance with section 873(3) (meaning of “beneficiary under a discretionary or accumulation settlement”).