



Income Tax Act 2007

2007 CHAPTER 3

PART 15

DEDUCTION OF INCOME TAX AT SOURCE

CHAPTER 13

UNAUTHORISED UNIT TRUSTS

941 Deemed payments to unit holders and deemed deductions of income tax

- (1) Subsections (2) and (3) apply if a unit holder in an unauthorised unit trust is treated under Chapter 10 of Part 4 of ITTOIA 2005 (distributions from unauthorised unit trusts if the trustees are UK resident) as having received income on a date.
- (2) The trustees are treated as making on that date a payment to the unit holder representing the gross amount of the income (see section 548(2) of ITTOIA 2005).
- (3) The trustees are also treated as deducting from that payment a sum representing income tax on the gross amount of the income at the basic rate for the tax year in which the payment is made.
- (4) Subsection (5) applies if the trustees of an unauthorised unit trust are treated under section 469(4A) of ICTA (distributions from unauthorised unit trusts if the trustees are UK resident) as making an annual payment to a unit holder.
- (5) The trustees are also treated as deducting from the annual payment a sum representing income tax on its gross amount (see section 469(4C) of ICTA) at the basic rate for the tax year in which the payment is made.
- (6) In this Chapter—
 - “deemed deduction” means a deduction within subsection (3) or (5),
 - “deemed payment” means a payment within subsection (2) or (4), and

Status: This is the original version (as it was originally enacted).

“the gross amount” means, in relation to a deemed payment, the amount of the payment before the deemed deduction is made from it.