
Changes to legislation: Finance Act 2008, Paragraph 138 is up to date with all changes known to be in force on or before 04 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULES

SCHEDULE 7 **U.K.**

REMITTANCE BASIS

PART 2 **U.K.**

NON-RESIDENT COMPANIES AND TRUSTS ETC

Attribution of gains to beneficiaries: cases involving transfers of value

138 For paragraph 8 substitute—

- “8 (1) Chargeable gains are treated as accruing in a tax year (“the relevant tax year”) to a beneficiary who has received a capital payment from the trustees of a relevant settlement in the relevant tax year or any earlier tax year if all or part of the capital payment is matched (under section 87A as it applies for the relevant tax year) with the section 2(2) amount in the Schedule 4C pool for the relevant tax year or any earlier tax year.
- (2) The amount of chargeable gains treated as accruing is equal to—
- (a) the amount of the capital payment, or
 - (b) if only part of the capital payment is matched, the amount of that part.
- (3) Section 87A applies for a tax year for the purposes of matching capital payments received from the trustees of a relevant settlement with section 2(2) amounts in the Schedule 4C pool as if—
- (a) references to section 2(2) amounts were to section 2(2) amounts in the Schedule 4C pool,
 - (b) references to a capital payment received from the trustees by a beneficiary were to a capital payment received from the trustees of a relevant settlement by a beneficiary who is chargeable to tax for that year, and
 - (c) for section 87A(3)(b) there were substituted—
“(b) all section 2(2) amounts in the Schedule 4C pool have been reduced to nil.”
- (4) Section 87A applies for a tax year by virtue of this paragraph before it applies for that year otherwise than by virtue of this paragraph; but this is subject to sub-paragraph (5).
- (5) If section 87A applies for a tax year by virtue of section 762(3) of the Taxes Act (offshore income gains), it applies for that year by virtue of that provision before it applies for that year by virtue of this paragraph.”

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

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

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

- Sch. 41 para. 6(1A) inserted by [2015 c. 11 Sch. 20 para. 10\(2\)](#)
- Sch. 41 para. 6A(A1)(1) substituted for Sch. 41 para. 6A(1) by [2015 c. 11 Sch. 20 para. 11\(2\)](#)