
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2013, Cross Heading: ITA 2007. (See end of Document for details)

SCHEDULES

SCHEDULE 46 **U.K.**

ORDINARY RESIDENCE

PART 2 **U.K.**

INCOME TAX: ARISING BASIS OF TAXATION

ITA 2007

- 54 ITA 2007 is amended as follows.
- 55 In section 465 (overview of Chapter 2 and interpretation), in subsection (4), omit “and ordinary residence”.
- 56 (1) Section 475 (residence of trustees) is amended as follows.
- (2) For subsection (1) substitute—
- “(1) This section applies for income tax purposes and explains how to work out, in relation to the trustees of a settlement, whether or not the single person mentioned in section 474(1) is UK resident.”
- (3) In subsection (2), for “both UK resident and ordinarily UK resident” substitute “UK resident”.
- (4) In subsection (3), for “both non-UK resident and not ordinarily UK resident” substitute “non-UK resident”.
- 57 (1) Section 476 (how to work out whether settlor meets condition C) is amended as follows.
- (2) In subsection (2)(b), omit “, ordinarily UK resident”.
- (3) In subsection (3)(b), omit “, ordinarily UK resident”.
- (4) The amendment made by sub-paragraph (2) does not apply if the person died before 6 April 2013.
- (5) The amendment made by sub-paragraph (3) does not apply if the settlement was made before 6 April 2013.
- 58 In section 643 (non-residents), in subsection (1), omit “and is not ordinarily UK resident during that year”.
- 59 In section 718 (meaning of “person abroad” etc), in subsection (2)(b), for “neither UK resident nor ordinarily UK resident” substitute “non-UK resident”.
- 60 In section 720 (charge to tax on income treated as arising under section 721), in subsection (1), omit “ordinarily”.

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- 61 (1) Section 721 (individuals with power to enjoy income as a result of relevant transactions) is amended as follows.
- (2) In subsection (1), for “conditions A and B” substitute “ conditions A to C ”.
- (3) After subsection (3) insert—
- “(3A) Condition C is that the individual is UK resident for the tax year.”
- (4) In subsection (5), for paragraph (b) substitute—
- “(b) whether the individual is UK resident for the tax year in which the relevant transfer is made (if different from the tax year mentioned in subsection (1)), or”.
- 62 In section 727 (charge to tax on income treated as arising under section 728), in subsection (1), omit “ordinarily”.
- 63 (1) Section 728 (individuals receiving capital sums as a result of relevant transactions) is amended as follows.
- (2) In subsection (1)—
- (a) in paragraph (a), omit the “and” at the end of sub-paragraph (iii), and
- (b) at the end of paragraph (b) insert “, and
- (c) the individual is UK resident for the tax year.”
- (3) In subsection (3), for paragraph (b) substitute—
- “(b) whether the individual is UK resident for the tax year in which the relevant transfer abroad is made (if different from the tax year mentioned in subsection (1)), or”.
- 64 In section 732 (non-transferors receiving benefit as a result of relevant transactions), in subsection (1)(b), for “ordinarily UK resident receives a benefit” substitute “ UK resident for a tax year receives a benefit in that tax year ”.
- 65 (1) In section 749 (restrictions on particulars to be provided by relevant lawyers), in subsection (2), omit “ordinarily”.
- (2) The amendment made by this paragraph applies only if the transfer is made or, in the case of an associated operation, the transfer is made and the associated operation is effected on or after 6 April 2013.
- 66 In section 812 (case where limit on liability of non-UK residents is not to apply), in subsection (1)(a), omit “ordinarily”.
- 67 (1) In section 834 (residence of personal representatives), in subsection (3), omit “, ordinarily UK resident”.
- (2) The amendment made by this paragraph does not apply if D died before 6 April 2013.
- 68 (1) In section 858 (declarations of non-UK residence: individuals)—
- ^{F1}(a)
- (b) in subsection (4), omit “ordinarily”.
- (2) The amendments made by this paragraph apply to the making of declarations on or after 6 April 2014, and any declarations made before that date continue to have effect in respect of interest paid on or after that date as if those amendments had not been made.

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Textual Amendments

F1 Sch. 46 para. 68(1)(a) omitted (15.9.2016) (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 25\(c\)\(i\)](#)

- 69 (1) In section 859 (declarations of non-UK residence: Scottish partnerships)—
- ^{F2}(a)
 - (b) in subsection (4), omit “ordinarily”.
- (2) The amendments made by this paragraph apply to the making of declarations on or after 6 April 2014, and any declarations made before that date continue to have effect in respect of interest paid on or after that date as if those amendments had not been made.

Textual Amendments

F2 Sch. 46 para. 69(1)(a) omitted (15.9.2016) (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 25\(c\)\(ii\)](#)

- 70 ^{F3}(1)
- (2) The amendment made by this paragraph applies only if the deceased died on or after 6 April 2014.

Textual Amendments

F3 Sch. 46 para. 70(1) omitted (15.9.2016) (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 25\(c\)\(iii\)](#)

- 71 (1) Section 861 (declarations of non-UK residence: settlements) is amended as follows.
- (2) In subsection (3)(b)(i) and (iii), omit “ordinarily”.
 - (3) In subsection (4)—
 - (a) in paragraphs (b) and (d), omit “ordinarily”, ^{F4}...
 - ^{F4}(b)
 - (4) The amendments made by this paragraph apply to the making of declarations on or after 6 April 2014, and any declarations made before that date continue to have effect in respect of interest paid on or after that date as if those amendments had not been made.

Textual Amendments

F4 Sch. 46 para. 71(3)(b) and word omitted (15.9.2016) (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 25\(c\)\(iv\)](#)

Changes to legislation:

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