



Finance Act 2013

2013 CHAPTER 29

PART 3

ANNUAL TAX ON ENVELOPED DWELLINGS

Chargeable interests and “single-dwelling interest”

110 Interests held by connected persons

- (1) If on any day [^{F1}(“the relevant day”)] a company (“C”) is entitled to a single-dwelling interest in a dwelling and another person (“P”) who is connected with C is entitled to a different single-dwelling interest in the same dwelling, this Part has effect—
- (a) in relation to C as if C were on that day entitled to P's single-dwelling interest as well as C's single-dwelling interest, and
 - (b) (if P is a company) in relation to P as if P were on that day entitled to C's single-dwelling interest as well as P's single-dwelling interest.
- (2) This subsection provides for an exception to subsection (1).

Where P is an individual, C is not treated ^{F2}... as entitled to P's single-dwelling interest [^{F3} on the relevant day] unless on that day C is entitled to a single-dwelling interest in the dwelling that is a freehold or leasehold interest with a taxable value of more than [^{F4}£250,000].

[^{F5}(2A) Subsection (2B) applies in any case where—

- (a) C would (without subsection (2B)) be treated, as a result of subsection (1) (read with section 109), as entitled to a single-dwelling interest with a taxable value (on the relevant day) of more than £2 million, but
- (b) C would not be so treated if the value specified in subsection (2) were £500,000 (instead of £250,000).

(2B) Subsection (2) has effect as if the value specified in it were £500,000 (instead of £250,000).]

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2013, Section 110. (See end of Document for details)

- (3) If on any day a single-dwelling interest (“the scheme interest”) is held for the purposes of a collective investment scheme and a person (“P”) who is connected with the scheme is entitled to a different single-dwelling interest in the same dwelling, this Part has effect—
- (a) in relation to the scheme, as if both those separate interests were on that day held for the purposes of the scheme, and
 - (b) (if P is a company) in relation to P as if P were on that day entitled to the scheme interest as well as P's single-dwelling interest.
- (4) If on any day a single-dwelling interest in a dwelling is held for the purposes of a collective investment scheme (“the first scheme”) and another interest in the same dwelling is held for the purposes of another collective investment scheme (“the second scheme”) that is connected with the first scheme, this Part has effect—
- (a) in relation to the first scheme, as if both the interests were held on that day for the purposes of that scheme, and
 - (b) in relation to the second scheme, as if both interests were held on that day for the purposes of that scheme.
- (5) See also—
- (a) section 97, for provision about the liability to tax of persons treated under this section (read with section 104) as jointly entitled to a single-dwelling interest;
 - (b) paragraph 55 of Schedule 33, for provision about returns in cases involving joint entitlement.
- (6) The provisions mentioned in subsection (5) are to be read as including corresponding provision for cases where the same single-dwelling interest is treated under this section as held—
- (a) for the purposes of different collective investment schemes, or
 - (b) by a company and for the purposes of a collective investment scheme.
- (7) In the application of this section to Scotland—
- (a) the reference to a freehold interest is to the interest of the owner;
 - (b) the reference to a leasehold interest is to a tenant's right over or interest in property subject to a lease.

Textual Amendments

- F1** Words in s. 110(1) inserted (with effect in accordance with s. 72(5) of the amending Act) by [Finance Act 2015 \(c. 11\), s. 72\(2\)](#)
- F2** Words in s. 110(2) omitted (with effect in accordance with s. 72(5) of the amending Act) by virtue of [Finance Act 2015 \(c. 11\), s. 72\(3\)\(a\)](#)
- F3** Words in s. 110(2) inserted (with effect in accordance with s. 72(5) of the amending Act) by [Finance Act 2015 \(c. 11\), s. 72\(3\)\(b\)](#)
- F4** Word in s. 110(2) substituted (with effect in accordance with s. 72(5) of the amending Act) by [Finance Act 2015 \(c. 11\), s. 72\(3\)\(c\)](#)
- F5** S. 110(2A)(2B) inserted (with effect in accordance with s. 72(5) of the amending Act) by [Finance Act 2015 \(c. 11\), s. 72\(4\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2013, Section 110.