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STATUTORY INSTRUMENTS

1997 No. 1715

INCOME TAX

**The Open-ended Investment Companies
(Tax) (Amendment) Regulations 1997**

<i>Made</i>	- - - -	<i>18th July 1997</i>
<i>Laid before the House of Commons</i>	- - - -	<i>18th July 1997</i>
<i>Coming into force</i>	- -	<i>8th August 1997</i>

The Treasury, in exercise of the powers conferred on them by section 152 of the Finance Act 1995⁽¹⁾, hereby make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Open-ended Investment Companies (Tax) (Amendment) Regulations 1997 and shall come into force on 8th August 1997.

Interpretation

2. In these Regulations “the principal Regulations” means the Open-ended Investment Companies (Tax) Regulations 1997⁽²⁾ and “regulation” means a regulation of the principal Regulations.

Amendments to the principal Regulations

3. For regulation 3 there shall be substituted—

“Tax treatment of open-ended investment companies general

3.—(1) Subject to the modifications and exceptions specified in this Part, and the modifications specified in Parts III to V, of these Regulations, the Tax Acts and the 1992 Act shall have effect in relation to—

(1) 1995 c. 4.
(2) S.I. 1997/1154.

- (a) open-ended investment companies,
- (b) holdings in, and the assets of, such companies, and
- (c) transactions involving such companies,

in like manner as the manner in which they have effect in relation to authorised unit trusts, to rights under, and the assets subject to, such trusts and to transactions for purposes connected with such trusts.

(2) References in the Tax Acts and the 1992 Act to companies, to holdings in, and the assets of, companies and to transactions involving companies, shall accordingly have effect (or shall not have effect as the case may be) in relation to open-ended investment companies, to holdings in, and the assets of, such companies, and to transactions involving such companies, in like manner as the manner in which they have effect (or do not have effect) in relation to authorised unit trusts, to rights under, and the assets subject to, such trusts, and to transactions for purposes connected with such trusts.”

4. In regulation 5 after paragraph (1) there shall be inserted the following paragraph—

“(2) Paragraph (1) shall not apply to references in any of the provisions specified in paragraph (3) or to references in provisions which include reference, whether made expressly or by implication, to an open-ended investment company.”

5. In regulation 7(1)(b) for the word “paragraph” there shall be substituted the word “sub-paragraph”.

6. In regulation 11(2)(b) for the word “subsection” there shall be substituted the word “paragraph”.

Bob Ainsworth
Jim Dowd

Two of the Lords Commissioners of Her
Majesty’s Treasury

18th July 1997

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Open-ended Investment Companies (Tax) Regulations 1997 (S.I. [1997/1154](#)) (“the principal Regulations”).

Regulation 1 provides for citation and commencement, and regulation 2 for interpretation.

Regulation 3 substitutes a new regulation 3 of the principal Regulations. The new regulation corrects a printing error in the print of the principal Regulations which was made and laid before the House of Commons, in which three lines of paragraph (1) of regulation 3 were repeated in error. The repeated words are omitted in the Queen’s Printer’s copy of the principal Regulations. The new regulation also makes a drafting improvement to the replaced regulation.

Regulation 4 inserts paragraph (2) in regulation 5 of the principal Regulations. The paragraph was omitted in error in the print of the principal Regulations which was made and laid before the House of Commons.

Regulations 5 and 6 correct drafting errors in regulations 7(1)(b) and 11(2)(b) of the principal Regulations.