
STATUTORY INSTRUMENTS

2006 No. 964

The Authorised Investment Funds (Tax) Regulations 2006

PART 4

THE TREATMENT OF PARTICIPANTS IN AUTHORISED INVESTMENT FUNDS

CHAPTER 2

PARTICIPANTS CHARGEABLE TO INCOME TAX

The reputable intermediary condition

Consequences of reasonable but incorrect belief

29.—(1) This regulation applies if conditions A to D are met.

(2) Condition A is that an interest distribution is made to a participant.

(3) Condition B is that the legal owner, in reliance on the reputable intermediary condition being met with respect to the participant, does not comply with the deduction obligation in relation to the interest distribution.

(4) Condition C is that the deduction obligation would apply but for the reputable intermediary condition being met.

(5) Condition D is that (contrary to the belief of the legal owner) the participant is in fact ^{F1}... resident in the United Kingdom.

(6) Section 350 of ICTA ^{M1} (charge to tax where payments made under section 349) and Schedule 16 to that Act ^{M2} (collection of income tax on company payments which are not distributions) have effect as if the deduction obligation applied.

Textual Amendments

F1 Word in reg. 29(5) omitted (with effect in accordance with reg. 1(2)(c) of the amending S.I.) by virtue of [The Authorised Investment Funds \(Tax\) \(Amendment\) \(No. 2\) Regulations 2013 \(S.I. 2013/2994\)](#), regs. 1(1), 8

Marginal Citations

M1 Section 350 was amended by paragraph 8 of Schedule 6 to the Finance Act 1996 and section 96(2) of the Finance Act 2002.

M2 Schedule 16 was amended by section 149(3)(d) of the [Finance Act 1989 \(c. 26\)](#), Part II of Schedule 23 to the Finance Act 1996, section 91 of the [Finance Act 1999 \(c. 16\)](#) and paragraph 19 of Part 1 of Schedule 3 to the [Debt Arrangement and Attachment \(Scotland\) Act 2002 \(asp. 17\)](#).

Changes to legislation:

There are currently no known outstanding effects for the The Authorised Investment Funds (Tax) Regulations 2006, Section 29.