
STATUTORY INSTRUMENTS

2006 No. 964

The Authorised Investment Funds (Tax) Regulations 2006

PART 4

**THE TREATMENT OF PARTICIPANTS
IN AUTHORISED INVESTMENT FUNDS**

CHAPTER 4

**CHARGE TO TAX ON SUBSTANTIAL QIS
HOLDINGS IN QUALIFIED INVESTOR SCHEMES**

Disposals of holdings

Disposal of the whole of a substantial QIS holding

- 68.**—(1) This regulation applies if a participant disposes of the whole of a substantial QIS holding.
- (2) The date on which the participant disposes of the substantial QIS holding is a chargeable measuring date.
- (3) For the purposes of tax in respect of chargeable gains—
- (a) in a case where regulation 67 has applied on any earlier disposal of part of the substantial QIS holding, the remaining part of the chargeable gain or loss specified in regulation 65 is treated as accruing on the disposal, and
 - (b) in any other case, the whole of the chargeable gain or loss specified in regulation 65 is treated as accruing on the disposal.
- (4) Subject to paragraph (3) and for the purposes of tax in respect of chargeable gains, the participant is treated as making the disposal for a consideration of such amount as would secure that neither a gain nor a loss would accrue to the participant.
- (5) For the purposes of tax in respect of chargeable gains, this regulation does not affect the treatment of the other party to the transaction involving the substantial QIS holding.
- (6) This regulation is subject to regulation 69 (no gain/no loss disposals).