

**2007 No. 683**

**CORPORATION TAX**

**The Authorised Investment Funds (Tax) (Amendment)  
Regulations 2007**

<i>Made</i> - - - -	<i>6th March 2007</i>
<i>Laid before the House of Commons</i>	<i>6th March 2007</i>
<i>Coming into force</i> - -	<i>7th March 2007</i>

The Treasury make the following Regulations in exercise of the powers conferred by sections 17(3) and 18 of the Finance (No. 2) Act 2005(a).

**Citation and commencement**

1. These Regulations may be cited as the Authorised Investment Funds (Tax) (Amendment) Regulations 2007 and shall come into force on 7th March 2007.

**Amendment of the Authorised Investment Funds (Tax) Regulations 2006**

2.—(1) Regulation 52A of the Authorised Investment Funds (Tax) Regulations 2006(b) is amended as follows.

(2) For paragraph (1) substitute—

“(1) This regulation applies if—

- (a) conditions A to C are met, and
- (b) either condition D or E is met.”.

(3) In paragraph (6) after “But” insert “for the purposes of paragraph (5)”.

(4) Insert the following paragraph after paragraph (6)—

“(6A) Condition E is that the participant is a financial trader who—

- (a) owns units which represent rights to 10% or more of the net asset value of the authorised investment fund, and
- (b) does not own those units as a nominee or bare trustee.”.

(5) For paragraph (11) substitute—

“(11) In this regulation—

“financial trader” means a participant who meets condition C (see paragraph (4));

“long-term business” and “long-term insurance fund” have the same meanings as in Chapter 1 of Part 12 of ICTA (insurance companies etc.).”.

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(a) 2005 c. 22.

(b) S.I. 2006/964; regulation 52A was inserted by S.I. 2006/3239.

6th March 2007

*Frank Roy*  
*Claire Ward*  
Two of the Lords Commissioners of Her Majesty's Treasury

### **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations amend the Authorised Investment Funds (Tax) Regulations 2006 (S.I. 2006/964) so that regulation 52A of those Regulations (inserted by S.I. 2006/3239) also applies if a financial trader owns units which represent rights to 10% or more of the net value of the authorised investment fund.

A full regulatory impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.

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