

2015 No. 463

INCOME TAX

**The Unauthorised Unit Trusts (Tax) (Amendment) Regulations
2015**

<i>Made</i>	- - - -	<i>3rd March 2015</i>
<i>Laid before the House of Commons</i>		<i>4th March 2015</i>
<i>Coming into force</i>	- -	<i>6th April 2015</i>

The Treasury make the following Regulations in exercise of the powers conferred by section 217 of the Finance Act 2013(a).

Citation, commencement and effect

1. These Regulations may be cited as the Unauthorised Unit Trusts (Tax) (Amendment) Regulations 2015 and come into force on 6th April 2015.

Amendment of Regulation 11 of the Unauthorised Unit Trusts (Tax) Regulations 2013.

2.—(1) Regulation 11 of the Unauthorised Unit Trusts (Tax) Regulations 2013(b) is amended as follows.

(2) In regulation 11(2)—

- (a) after the words “tax year” insert “(the current year)”, and
- (b) for the words from “of 12 months” to the end substitute “beginning immediately after the end of the basis period for the previous tax year and ending with the accounting date in the current year”.

(3) After regulation 11(3) insert—

“(3A) In the first tax year that a trust is an exempt unauthorised unit trust the basis period for the tax year is the period—

- (a) beginning on the first day of the first period of account in respect of which the trust is approved under these Regulations as an exempt unauthorised unit trust, and
- (b) ending with the accounting date in that year.”

(4) In regulation 11(4)(b) for “of account” substitute “beginning on the first day of the first period of account in respect of which the trust is approved under these Regulations as an exempt unauthorised trust and”.

(5) In regulation 11(5)(a)—

- (a) for the words “the first tax year” substitute “those years”, and

(a) 2013 c.29.

(b) S.I. 2013/2819, amended by S.I. 2014/585.

(b) for the words “that year” substitute “those years”.

(6) For regulation 11(5)(b) substitute—

“(b) the basis period for the third tax year that the trust is an exempt unauthorised unit trust is the period—

(i) beginning on the first day of the first period of account in respect of which the trust is approved under these Regulations as an exempt unauthorised unit trust, and

(ii) ending with the accounting date in that year.”.

*Gavin Barwell
David Evennett*

3rd March 2015

Two of the Lords Commissioners of Her Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Unauthorised Unit Trusts (Tax) Regulations 2013 (S.I. 2013/2819) (the “principal Regulations”).

Regulation 1 provides for citation and commencement.

Regulation 2 amends regulation 11 of the principal Regulations. Regulation 2(2) amends regulation 11(2) of the principal Regulations by providing that the general rule to determine the beginning of the basis period of an exempt unauthorised unit trust for a tax year is that it begins immediately after the end of the basis period for the previous tax year.

Regulation 2(3) inserts a provision in the principal Regulations to determine the basis period for the first tax year that a trust is an exempt unauthorised unit trust.

Regulation 2(4) amends regulation 11(4) of the principal Regulations which concerns the basis period in the second tax year that a trust is an exempt unauthorised unit trust where there is no accounting date in the first year but there is an accounting date in the second tax year. The basis period begins on the first day of the first period of account in respect of which the trust is approved as an exempt unauthorised unit trust and ends with the accounting date in the second tax year.

Regulations 2(5) and 2(6) amend regulation 11(5) to specify that where there is no accounting date in the first two years that a trust is an exempt unauthorised unit trust, the basis period for the third tax year begins on the first day of the first period of account in respect of which the trust is approved as an exempt unauthorised unit trust and ends with the accounting date in the third tax year.

A Tax Information and Impact Note covering this instrument will be published on the HMRC website at <http://www.hmrc.gov.uk/thelibrary/tiins.htm>.