



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 15

#### DEDUCTION OF INCOME TAX AT SOURCE

### CHAPTER 2

[<sup>F1</sup>MEANING OF “RELEVANT INVESTMENT” FOR PURPOSES OF SECTION 876]

*[<sup>F1</sup>Investments] which are not relevant investments*

#### Textual Amendments

- F1** Word in s. 863 cross-heading substituted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 13](#)

#### **863 General client account deposits**

- (1) An investment is not a relevant investment if it is a general client account deposit.
- (2) An investment is a general client account deposit for the purposes of this section if—
  - (a) it is a deposit held by a deposit-taker <sup>F2</sup>... in a client account, and
  - (b) provision made under any enactment requires the person whose account it is to make payments representing interest to some or all of the clients for whom, or on whose account, that person received the sums deposited in the account.
- (3) But an investment is not a general client account deposit if the account in which it is held is identified by the deposit-taker <sup>F2</sup>... as one in which sums are held only for one or more particular clients of the person whose account it is.

*Changes to legislation:* There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

#### Textual Amendments

- F2** Words in s. 863 omitted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 14](#)

### 864 Qualifying uncertificated eligible debt security units

An investment is not a relevant investment if it is a deposit in respect of which a deposit-taker <sup>F3</sup>... has issued a qualifying uncertificated eligible debt security unit (see section 986).

#### Textual Amendments

- F3** Words in s. 864 omitted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 14](#)

### 865 Qualifying certificates of deposit

An investment is not a relevant investment if it is a deposit in respect of which a deposit-taker <sup>F4</sup>... has issued a qualifying certificate of deposit (see section 985).

#### Textual Amendments

- F4** Words in s. 865 omitted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 14](#)

### 866 Qualifying time deposits

- (1) An investment is not a relevant investment if it is a qualifying time deposit [<sup>F5</sup>made before 6 April 2012].
- (2) An investment is a qualifying time deposit for the purposes of this section if—
  - (a) it is a deposit consisting of a loan of at least £50,000,
  - (b) the terms of the deposit require its repayment at a specified time within 5 years beginning with the date on which it is made,
  - (c) those terms do not make provision for the transfer of the right to repayment, and
  - (d) those terms prevent partial withdrawals of, or additions to, the deposit.
- (3) If a deposit is denominated in a foreign currency, subsection (2)(a) has effect as if it referred to an amount which is at least the equivalent in that currency of £50,000 at the time the deposit is made.

#### Textual Amendments

- F5** Words in s. 866(1) inserted (6.4.2012) (retrospective and with effect in accordance with s. 18(2) of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [s. 18\(1\)](#)

---

*Changes to legislation:* There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

---

### 867 Lloyd's premium trust funds

- (1) An investment is not a relevant investment if it forms part of a premium trust fund of an underwriting or former underwriting member of Lloyd's.
- (2) In this section “premium trust fund” has the meaning given in section 184 of FA 1993.

### 868 Investments held outside the United Kingdom

- (1) An investment with a deposit-taker is not a relevant investment if—
  - (a) the deposit-taker is UK resident for income tax purposes or corporation tax purposes, and
  - (b) the investment is held at a branch of the deposit-taker situated outside the United Kingdom.
- (2) An investment with a deposit-taker is not a relevant investment if—
  - (a) the deposit-taker is non-UK resident for income tax purposes or corporation tax purposes, and
  - (b) the investment is not held at a branch of the deposit-taker situated in the United Kingdom.

<sup>F6</sup>(3) .....

- (4) For the purposes of this section an investment is held at a branch of a deposit-taker <sup>F7</sup>... if the investment is recorded in its books as a liability of that branch.

---

#### Textual Amendments

- F6** S. 868(3) omitted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 15](#)
- F7** Words in s. 868(4) omitted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 14](#)

### <sup>F8</sup>869 Sale and repurchase of securities

.....

---

#### Textual Amendments

- F8** S. 869 omitted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 15](#)

### 870 Other investments

- (1) An investment with a deposit-taker is not a relevant investment if—
  - (a) it is a loan made by a deposit-taker in the ordinary course of its business or activities,
  - (b) it is a debt on a security which is listed on a recognised stock exchange, or
  - (c) it is a debt on a debenture issued by the deposit-taker (see section 1022).

<sup>F9</sup>(2) .....

---

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

---

#### Textual Amendments

- F9** S. 870(2) omitted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 6 para. 15](#)

**Changes to legislation:**

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations.

[View outstanding changes](#)

**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 24B inserted by [2023 c. 30 Sch. 2 para. 10\(3\)](#)
- s. 788(7) inserted by [2007 c. 29 Sch. 21 para. 161\(b\)](#) (The amending provision was repealed before coming into force.)