
DRAFT STATUTORY INSTRUMENTS

2009 No.

The Offshore Funds (Tax) Regulations 2009

PART 3

**REPORTING FUNDS AND THE TREATMENT
OF PARTICIPANTS IN REPORTING FUNDS**

CHAPTER 7

REPORTS TO PARTICIPANTS

Report to participants for a reporting period

90.—(1) A reporting fund must make a report available to each participant for each reporting period.

- (2) For the purposes of these Regulations a report is made available if the fund—
- (a) sends the report to a participant by post,
 - (b) sends the report to a participant by means of an electronic communications service,
 - (c) makes the report available on a website accessible to relevant participants and to HMRC, or
 - (d) publishes the report in a newspaper which is published in English in the United Kingdom and readily available in all parts of the United Kingdom.
- (3) In paragraph (2)(c) “relevant participants” means participants who—
- (a) are resident in the United Kingdom, or
 - (b) are reporting funds,

during any part of the reporting period.

(4) If the fund does not provide the report to a participant by sending it to the participant by post, the fund must, if so required by the participant, make the report available to the participant in some further manner (whether or not that further manner is also specified in regulation 90(2)) as the fund and the participant may agree.

(5) The reporting fund must make the report available within a period of six months beginning with the day immediately following the final day of the reporting period.

(6) The report must be in English.

Meaning of “reporting period”

91. In these Regulations a “reporting period” of a reporting fund means a period determined in accordance with the following rules—

First rule

If the reporting fund's period of account is twelve months or less, the reporting period is the same as the period of account.

Second rule

If the reporting fund's period of account is more than twelve months, there are two reporting periods.

The first reporting period is a period consisting of the first twelve months of the period of account.

The second reporting period is a period consisting of the remainder of the period of account.

Contents of report to participants

92.—(1) The report to participants for a reporting period must include the following information—

- (a) the amount actually distributed to participants per unit of interest in the fund in respect of the reporting period;
- (b) the excess of the amount of the reported income per unit of interest in the fund for the reporting period over the amount actually distributed to participants per unit of interest in the fund in respect of the reporting period;
- (c) the dates on which distributions were made;
- (d) the fund distribution date (see regulation 94(4));
- (e) a statement whether or not the fund remains a reporting fund at the date the fund makes the report available.

(2) In these Regulations the “reported income” of a reporting fund for a reporting period means the reportable income of the fund for the reporting period, computed by or on behalf of the fund, and provided, in the report for the reporting period, to the participants in the fund.

(3) For the purposes of paragraph (1)—

- (a) the reported income per unit of a reporting fund for a report is computed by dividing the reported income of the fund for the reporting period by the number of units in the fund in issue at the end of the reporting period,
- (b) the amount actually distributed to participants per unit of interest in the fund in respect of the reporting period must be computed at the time the distribution is made, and
- (c) the amount per unit of interest in the fund must be expressed to at least four decimal places of a pound (or other currency unit) of value per unit.

(4) If the amount of the reported income per unit of interest in the fund for the reporting period is equal to, or less than, the amount actually distributed to participants per unit of interest in the fund in respect of the reporting period, the amount to be stated for the purposes of paragraph (1)(b) is nil.

(5) This regulation is subject to regulation 93.

Lengthy periods of account where full information not available

93.—(1) This regulation applies if a reporting fund—

- (a) has a period of account which is longer than twelve months, and
- (b) has difficulty in computing its reportable income for the reporting period constituting the first twelve months of that period of account (the “relevant reporting period”).

(2) For the purpose of preparing its report to participants for the relevant reporting period, the fund may elect—

- (a) to compute its reportable income based on such information as is reasonably available, or

- (b) to make a just and reasonable apportionment of the income of the period of account.
- (3) The computation of reportable income for the reporting period following the relevant reporting period must include all amounts not accounted for in the relevant reporting period.