

## SCHEDULES

### SCHEDULE 2

#### RECIPIENTS OF DEPRECIATION PAYMENTS: SPECIAL CASES

##### *Settlements etc.*

- 4 (1) Where in the case of property situated in England and Wales the interest in the property of the person to whom, apart from this sub-paragraph, the whole or part of a depreciation payment would fall to be paid is—
- (a) subject to a settlement; or
  - (b) otherwise held in such manner that the person entitled to the interest would not be competent to give an effective discharge for the proceeds of a sale of the interest,
- that payment or that part of that payment shall be paid to the person competent to give such a discharge.
- (2) Where in the case of property situated in Scotland the interest in the property of the person to whom the whole or part of a depreciation payment falls to be paid is subject to—
- (a) a trust within the meaning of the Trusts (Scotland) Act 1921; or
  - (b) an entail or a life-rent,
- that person shall hold and apply that payment or that part of that payment in like manner as if the interest had been acquired under compulsory powers and the payment or that part of it were the purchase money or compensation for that interest.