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**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2004. 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

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## SCHEDULES

### SCHEDULE 26

#### OFFSHORE FUNDS

##### *Transitional provision*

- 17 (1) This paragraph applies for the purposes of determining whether an offshore fund that is—
- (a) a part of an umbrella fund (which is treated as an offshore fund under section 756B of the Taxes Act 1988), or
  - (b) a class of interest in a part of an umbrella fund (which is treated as an offshore fund under section 756C of that Act),
- may be certified as a distributing fund under Chapter 5 of Part 17 of that Act in respect of an account period ending on or after the day on which this Act is passed and on or before 31st December 2005.
- (2) Where this paragraph applies—
- (a) subsection (3) of section 760 of the Taxes Act 1988 shall not have effect, and
  - (b) the fund shall not be certified as a distributing fund in respect of a period if at any time in that period—
    - (i) more than 5 per cent by value of the assets of that offshore fund consists of interests in other offshore funds, and
    - (ii) more than 5 per cent by value of the assets of the umbrella fund consists of interests in other offshore funds.
- (3) Where this paragraph applies, references to subsection (3) of section 760 of the Taxes Act 1988 shall have effect as references to sub-paragraph (2)(b) above.
- (4) Words used in Chapter 5 of Part 17 of the Taxes Act 1988 have the same meaning in this paragraph as they have in that Chapter.

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**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. 236ZA inserted by [S.I. 2024/357 art. 2\(2\)](#)