

**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

## SCHEDULES

### [<sup>F1</sup>SCHEDULE 29A

#### TAXABLE PROPERTY HELD BY INVESTMENT-REGULATED PENSION SCHEMES

##### Textual Amendments

**F1** Sch. 29A inserted (retrospective to 6.4.2006) by [Finance Act 2006 \(c. 25\)](#), s. 158(2), [Sch. 21 para. 13](#)

### PART 3

#### ACQUISITION AND HOLDING OF TAXABLE PROPERTY

##### *Deemed acquisition*

- 27 Where—
- (a) an investment-regulated pension scheme holds an interest in property which is not taxable property, and
  - (b) that property becomes taxable property otherwise than by reason of its conversion or adaptation as residential property,
- the pension scheme is treated for the purposes of the taxable property provisions as acquiring an interest in the property.
- 28 (1) Subject to paragraph 29, this paragraph applies where—
- (a) an investment-regulated pension scheme holds an interest in taxable property indirectly, and
  - (b) there is an increase in the extent of the interest held directly in a vehicle by the pension scheme or another vehicle.
- (2) The pension scheme is to be treated for the purposes of this Schedule as—
- (a) having disposed of the interest in the property immediately before the increase in the extent of the interest in the vehicle, and
  - (b) having re-acquired the interest immediately afterwards.
- (3) The extent of the interest held directly in a vehicle by a person is to be determined for the purposes of this paragraph and paragraph 29 in accordance with paragraphs 42 and 43.
- 29 (1) Where there is an increase in the extent of the interest held directly in the vehicle otherwise than by reason of the acquisition of a further interest in the vehicle, paragraph 28 does not apply unless the condition in sub-paragraph (2) is met.
- (2) The condition is that the event by which the extent of the interest held directly in the vehicle increases forms part of a scheme or arrangement the main purpose or one of the main purposes of which is—

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- (a) to enable the amount of the unauthorised payment treated as arising on the original acquisition of the interest in the property by the pension scheme to be lower than it otherwise would have been, or
  - (b) to prevent an unauthorised payment from being treated as made on that original acquisition.
- (3) Unless that condition is met, the increase in the extent of the interest is also to be disregarded for the purposes of paragraphs 24 to 26.]

**Modifications etc. (not altering text)**

- C1** Sch. 29A para. 29 modified by S.I. 2006/207, reg. 4D (as inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Pensions Schemes \(Application of UK Provisions to Relevant Non-UK Schemes\)\(Amendment\) Regulations 2006 \(S.I. 2006/1960\)](#), **reg. 9**)

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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\(2\)](#)