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## 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

##### *Indirect holding*

- 16 (1) For the purposes of the taxable property provisions a person holds an interest in property indirectly if the person does not hold the interest directly but (whether jointly, in common or alone)—
- (a) holds an interest in a person who holds the interest in the property directly, or
  - (b) holds an interest in a person who holds the interest in the property indirectly by virtue of paragraph (a) or this paragraph.
- (2) For the purposes of the taxable property provisions a person holds an interest in another person if—
- (a) the person holds an interest, right or power in or over that other person, or
  - (b) the person lends money to that other person to fund the acquisition by that other person of an interest in taxable property.
- (3) But sub-paragraph (2)(b) does not apply where—
- (a) the loan is an authorised employer loan made by a pension scheme to or in respect of a sponsoring employer (see section 179),
  - (b) the interest in the property is acquired so that the property may be used for the purposes of a trade, profession or vocation carried on by the sponsoring employer or for the purposes of the sponsoring employer's administration or management, and
  - (c) after the acquisition, the property is not occupied or used by a member of the pension scheme or a person connected with such a member.
- (4) In the taxable property provisions references to a person holding an interest in another person include, in the case of—
- (a) an investment-regulated pension scheme,
  - (b) an arrangement under a pension scheme, or
  - (c) a trust which is not a pension scheme,

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references to the interest in the other person being held for the purposes of the pension scheme, the arrangement or the trust.

- (5) Paragraphs 17 to 19 explain what it means for a person to hold an interest in another person by virtue of sub-paragraph (2)(a) in a case where that other person is a company, collective investment scheme or trust.
- (6) The Treasury may by regulations—
- (a) amend paragraphs 17 to 19, or
  - (b) amend this Part of this Schedule for the purposes of explaining what it means for a person to hold an interest, right or power in or over another person in other cases.
- (7) This paragraph is subject to paragraphs 20 to 26.
- 17 (1) For the purposes of paragraph 16 a person holds an interest in a company if—
- (a) the person has, or is entitled to acquire, share capital or voting rights in the company,
  - (b) the person has, or is entitled to acquire, a right to receive or participate in distributions of the company,
  - (c) the person is entitled to secure that income or assets (whether present or future) of the company will be applied directly or indirectly for the person's benefit, or
  - (d) the person, either alone or together with other persons, has control of the company.
- (2) In sub-paragraph (1) references to a person being entitled to do anything apply where a person—
- (a) is currently entitled to do it at a future date, or
  - (b) will at a future date be entitled to do it.
- (3) In sub-paragraph (1) “control” has the meaning given by [F2sections 450 and 451 of the Corporation Tax Act 2010].

**Textual Amendments**

**F2** Words in Sch. 29A para. 17(3) substituted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 1 para. 431\(2\)](#) (with [Sch. 2](#))

- 18 (1) For the purposes of paragraph 16 a person holds an interest in a collective investment scheme if the person is a participant in the scheme.
- (2) In this Schedule—
- (a) “collective investment scheme” has the meaning given by section 235 of FISMA 2000, and
  - (b) “participant”, in relation to such a scheme, has the meaning given by subsection (2) of that section.
- 19 (1) For the purposes of paragraph 16 a pension scheme holds an interest in a trust if Condition A or B is met.
- (2) Condition A is that—
- (a) the pension scheme has a relevant interest in the trust,

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- (b) the pension scheme, a member of the pension scheme or a person connected with such a member has made a payment to the trust on or after the acquisition of the interest, and
  - (c) the payment is not one to which sub-paragraph (7) applies.
- (3) Condition B is that—
  - (a) a member of the pension scheme or a person connected with such a member has a relevant interest in the trust,
  - (b) the pension scheme has made a payment to the trust on or after the acquisition of the interest, and
  - (c) the payment is not one to which sub-paragraph (7) applies.
- (4) For the purposes of applying paragraph 16 for determining whether a pension scheme holds an interest in property indirectly, a person other than the pension scheme holds an interest in a trust if—
  - (a) the person has a relevant interest in the trust,
  - (b) the person has made a payment to the trust on or after the acquisition of the interest, and
  - (c) the payment is not one to which sub-paragraph (7) applies.
- (5) For the purposes of this paragraph a person has a relevant interest in a trust if—
  - (a) any property which may at any time be comprised in the trust or any derived property is, or will or may become, payable to or applicable for the benefit of the person in any circumstances, or
  - (b) the person enjoys a benefit deriving directly or indirectly from any property which is comprised in the trust or any derived property.
- (6) In sub-paragraph (5) “derived property”, in relation to any property, means income from that property or any other property directly or indirectly representing proceeds of, or income from, that property.
- (7) This sub-paragraph applies to a payment if—
  - (a) it is made as part of an arm's length transaction by which property or a benefit is to be provided in return for the payment, and
  - (b) it is made otherwise than for the purposes of enabling a member of the pension scheme or a person connected with such a member to occupy or use any property.
- (8) [<sup>F3</sup>Section 1122 of the Corporation Tax Act 2010] (connected persons) applies for the purposes of this paragraph.
- (9) This paragraph does not apply in relation to a unit trust scheme within the meaning of section 237(1) of FISMA 2000 (but see paragraph 18).]

#### Textual Amendments

- F3** Words in [Sch. 29A para. 19\(8\)](#) substituted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\), s. 1184\(1\), Sch. 1 para. 431\(5\)\(b\)](#) (with [Sch. 2](#))

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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\(2\)](#)