
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2006, Cross Heading: Amendments of other Acts. (See end of Document for details)

SCHEDULES

SCHEDULE 12

SETTLEMENTS: AMENDMENT OF TCGA 1992 ETC

PART 3

CONSEQUENTIAL AND MINOR AMENDMENTS

Amendments of other Acts

46 ^{F1}(1)

(2) In the second column of the table in section 98 of TMA 1970 insert at the appropriate place— “ paragraph 12 of Schedule 4ZA to the 1992 Act ”.

(3) This paragraph shall come into force on 6th April 2006.

Textual Amendments

F1 Sch. 12 para. 46(1) omitted (13.8.2009) by virtue of Finance Act 2009, Schedule 47 (Consequential Amendments) Order 2009 (S.I. 2009/2035), art. 1, Sch. para. 60(m)

^{F2}47

Textual Amendments

F2 Sch. 12 para. 47 repealed (with effect in accordance with art. 1(2)(3) Sch. 1 of the amending S.I.) by The Offshore Funds (Tax) Regulations 2009 (S.I. 2009/3001), reg. 1(1), Sch. 2

48 ^{F3}(1)

(2) In section 34(3) of that Act (disabled persons) for the words from “the powers” to the end of the subsection substitute “—

- (a) a power conferred on the trustees by section 32 of the Trustee Act 1925 or section 33 of the Trustee Act (Northern Ireland) 1958) (powers of advancement),
- (b) a power conferred on the trustees by the law of a jurisdiction other than England and Wales or Northern Ireland which makes provision similar to the provisions specified in paragraph (a), or
- (c) a power of advancement which is conferred on the trustees by the instrument creating the settlement, or by another instrument made in accordance with the terms of the settlement, and which is subject to the same restrictions as those specified in section 32(1)(a) and (c) of the Trustee Act 1925 (c. 19).”

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- (3) In section 35(4) of that Act (relevant minors) for the words from “the powers” to the end of the subsection substitute “—
- (a) a power conferred on the trustees by section 32 of the Trustee Act 1925 or section 33 of the Trustee Act (Northern Ireland) 1958 (powers of advancement),
 - (b) a power conferred on the trustees by the law of a jurisdiction other than England and Wales or Northern Ireland which makes provision similar to the provisions specified in paragraph (a), or
 - (c) a power of advancement which is conferred on the trustees by the instrument creating the settlement, or by another instrument made in accordance with the terms of the settlement, and which is subject to the same restrictions as those specified in section 32(1)(a) and (c) of the Trustee Act 1925 (c. 19).”
- (4) After section 37(6) of that Act (vulnerable person election) insert—
- “(7) Where—
- (a) a vulnerable person election has effect in relation to qualifying trusts,
 - (b) the property held on those trusts is treated for the purposes of TCGA 1992 and of the Tax Acts as comprised in a sub-fund settlement, and
 - (c) the vulnerable person election was not made by the trustees of the sub-fund settlement,
- the vulnerable person election shall have effect, in relation to the trusts mentioned in paragraph (a), in respect of matters arising at or after the time when the sub-fund election is treated as having taken effect, as if it had been made by the trustees of the sub-fund settlement and the vulnerable person.
- (8) In relation to matters arising before the time when the sub-fund election is treated as having taken effect, nothing in subsection (7)—
- (a) relieves the trustees of the settlement which is the principal settlement in relation to the sub-fund settlement of their obligation under subsection (6), or
 - (b) prevents a notice from being given to those trustees under section 40(1) or (3).
- (9) In this section—
- (a) “principal settlement” has the meaning given by paragraph 1 of Schedule 4ZA to TCGA 1992,
 - (b) “sub-fund election” has the meaning given by paragraph 2 of that Schedule,
 - (c) “sub-fund settlement” has the meaning given by paragraph 1 of that Schedule, and
 - (d) the time when a sub-fund election is treated as having taken effect shall be the time when it is treated as having taken effect under paragraph 2 of that Schedule.”
- (5) This paragraph shall come into force on 6th April 2006 (in relation to vulnerable person elections whenever made).

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Textual Amendments

- F3** Sch. 12 para. 48(1) omitted (with effect in accordance with Sch. 2 para. 22 of the amending Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 2 para. 21\(j\)](#)

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