

SCHEDULES

SCHEDULE 36

AGREEMENT BETWEEN UK AND SWITZERLAND

PART 3

THE FUTURE: INCOME TAX AND CAPITAL GAINS TAX

Effect of relevant certificate

- 15 (1) The effect of the relevant certificate depends on whether P makes an election under paragraph 16 in respect of the underlying account for the applicable year.
- (2) “The applicable year” is the tax year for which P is liable to income tax or, as the case may be, capital gains tax on the cleared amount.
- (3) If P makes an election, the transferred sum is to be treated as if it were a credit allowable against the income tax or, as the case may be, capital gains tax due from P for the applicable year.
- (4) If P does not make an election, P ceases to be liable to income tax or, as the case may be, capital gains tax on the cleared amount.
- (5) Sub-paragraph (4) is to be read in accordance with paragraph 7.
- (6) Where P ceases to be liable to tax on the cleared amount, P also ceases to be liable to any ancillary charge directly connected with that amount.