

---

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2016. 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

### SCHEDULE 16

#### PROPERTY AUTHORISED INVESTMENT FUNDS AND CO-OWNERSHIP AUTHORISED CONTRACTUAL SCHEMES

#### PART 3

##### CONSEQUENTIAL AMENDMENTS

- 5 FA 2003 is amended in accordance with this Part.
- 6 In section 75C (anti-avoidance: supplemental), in subsection (4), after  
“Schedule 6A” insert “, 7A”.
- 7 (1) Section 81 (further return where relief withdrawn) is amended as follows.
- (2) In subsection (1)—
- (a) omit “or” at the end of paragraph (b), and
  - (b) after paragraph (b) insert—
    - “(ba) paragraph 5, 7 or 8 of Schedule 7A (PAIF seeding relief),
    - (bb) paragraph 13, 17 or 18 of Schedule 7A (COACS seeding relief), or”.
- (3) In subsection (1A), after “transactions)” insert “, or under paragraph 6 of Schedule 7A (PAIF seeding relief) or paragraph 14 or 16 of Schedule 7A (COACS seeding relief),”.
- (4) In subsection (1B), after paragraph (e) insert—
- “(f) in the case of relief under paragraph 6 of Schedule 7A (PAIF seeding relief: portfolio test)—
    - (i) where relief is withdrawn under paragraph 6(1), the last day of the seeding period (see paragraph 3 of that Schedule), or
    - (ii) where relief is withdrawn under paragraph 6(3), the first time mentioned in paragraph 6(3)(a) or (b) at which the portfolio test was not met;
  - (g) in the case of relief under paragraph 14 of Schedule 7A (COACS seeding relief: genuine diversity of ownership condition), the first time mentioned in paragraph 14(1) at which the genuine diversity of ownership condition was not met;
  - (h) in the case of relief under paragraph 16 of Schedule 7A (COACS seeding relief: portfolio test)—
    - (i) where relief is withdrawn under paragraph 16(1), the last day of the seeding period (see paragraph 11 of that Schedule), or

---

*Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2016. 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*

---

- (ii) where relief is withdrawn under paragraph 16(3), the first time mentioned in paragraph 16(3)(a) or (b) at which the portfolio test was not met.”
- (5) In subsection (4), after paragraph (b) insert—
- “(ba) in relation to the withdrawal of PAIF seeding relief—
- (i) the purchaser ceasing to be a property AIF as mentioned in paragraph 5 of Schedule 7A,
- (ii) a person making a relevant disposal of units as mentioned in paragraph 7 of that Schedule, or
- (iii) the grant of permission to a non-qualifying individual to occupy a dwelling as mentioned in paragraph 8 of that Schedule;
- (bb) in relation to the withdrawal of COACS seeding relief—
- (i) the purchaser ceasing to be a co-ownership authorised contractual scheme as mentioned in paragraph 13 of Schedule 7A,
- (ii) a person making a relevant disposal of units as mentioned in paragraph 17 of that Schedule, or
- (iii) the grant of permission to a non-qualifying individual to occupy a dwelling as mentioned in paragraph 18 of that Schedule;”.
- 8 In section 86 (payment of tax), in subsection (2)—
- (a) omit “or” at the end of paragraph (b), and
- (b) after paragraph (b) insert—
- “(ba) Part 1 of Schedule 7A (PAIF seeding relief),
- (bb) Part 2 of Schedule 7A (COACS seeding relief), or”.
- 9 (1) Section 87 (interest on unpaid tax) is amended as follows.
- (2) In subsection (3)—
- (a) in paragraph (a)—
- (i) omit “or” at the end of sub-paragraph (ii), and
- (ii) after sub-paragraph (ii) insert—
- “(ia) paragraph 5, 7 or 8 of Schedule 7A (PAIF seeding relief),
- (ib) paragraph 13, 17 or 18 of Schedule 7A (COACS seeding relief), or”;
- (b) after paragraph (aza) insert—
- “(azb) in the case of an amount payable under paragraph 6(3) of Schedule 7A (PAIF seeding relief: portfolio test), the first time mentioned in paragraph 6(3)(a) or (b) at which the portfolio test was not met;
- (azc) in the case of an amount payable under paragraph 14(1) of Schedule 7A (COACS seeding relief: genuine diversity of ownership condition) because the genuine diversity of ownership condition was not met at a time mentioned in paragraph 14(1)(b) or (c), the first time mentioned in paragraph 14(1)(b) or (c) at which that condition was not met;

---

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2016. 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

---

- (azd) in the case of an amount payable under paragraph 16(3) of Schedule 7A (COACS seeding relief: portfolio test), the first time mentioned in paragraph 16(3)(a) or (b) at which the portfolio test was not met.”.
- (3) In subsection (4), for “means—” to the end substitute “ has the same meaning as in section 81(4). ”
- 10 In section 118 (market value)—
- (a) the existing text becomes subsection (1), and
- (b) after subsection (1) insert—
- “(2) This is subject to paragraphs 7(7) and 17(7) of Schedule 7A (which define “market value” for certain purposes of PAIF seeding relief and COACS seeding relief).”
- 11 In section 122 (index of defined expressions), at the appropriate place insert—
- |   |                               |
|---|-------------------------------|
| “COACS seeding relief   | Schedule 7A, paragraph 10(1)” |
| “co-ownership authorised contractual scheme                             | section 102A”                 |
| “operator (in relation to a co-ownership authorised contractual scheme) | section 102A”                 |
| “PAIF seeding relief  | Schedule 7A, paragraph 1(1)”. |
- 12 In Schedule 4A (SDLT: higher rate for certain transactions), in paragraph 2(6)—
- (a) omit “and” at the end of paragraph (d),
- (b) after paragraph (d) insert—
- “(da) Schedule 7A (PAIF seeding relief and COACS seeding relief), and”, and
- (c) in paragraph (e), for “(d)” substitute “ (da) ”.
- 13 In Schedule 6B (transfers involving multiple dwellings), in paragraph 2(4)(b), after “Schedule 7” insert “ , Schedule 7A ”.
- 14 (1) In Schedule 17A (further provisions relating to leases), paragraph 11 (cases where assignment of lease treated as grant of lease) is amended as follows.
- (2) In sub-paragraph (3), after paragraph (b) insert—
- “(ba) Part 1 or 2 of Schedule 7A (PAIF seeding relief and COACS seeding relief);”.
- (3) In sub-paragraph (4), after “acquisition relief” insert “ , PAIF seeding relief, COACS seeding relief ”.
- (4) In sub-paragraph (5), after paragraph (b) insert—
- “(ba) in relation to the withdrawal of PAIF seeding relief—
- (i) the purchaser ceasing to be a property AIF as mentioned in paragraph 5 of Schedule 7A,

---

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2016. 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](#)

---

- (ii) a person making a relevant disposal of units as mentioned in paragraph 7 of that Schedule, or
    - (iii) the grant of permission to a non-qualifying individual to occupy a dwelling as mentioned in paragraph 8 of that Schedule;
  - (bb) in relation to the withdrawal of COACS seeding relief—
    - (i) the purchaser ceasing to be a co-ownership authorised contractual scheme as mentioned in paragraph 13 of Schedule 7A,
    - (ii) a person making a relevant disposal of units as mentioned in paragraph 17 of that Schedule, or
    - (iii) the grant of permission to a non-qualifying individual to occupy a dwelling as mentioned in paragraph 18 of that Schedule;”.
- (5) After sub-paragraph (5) insert—
  - “(6) This paragraph also does not apply where the relief in question is PAIF seeding relief or COACS seeding relief and is withdrawn as a result of a requirement not being met at a time which is before the effective date of the assignment of the lease.
  - (7) For the purposes of sub-paragraph (6), the reference to a requirement not being met is a reference to—
    - (a) in relation to the withdrawal of PAIF seeding relief under paragraph 6 of Schedule 7A, the portfolio test not being met (see paragraph 6(7));
    - (b) in relation to the withdrawal of COACS seeding relief under paragraph 14 of Schedule 7A, the genuine diversity of ownership condition not being met (see paragraph 15);
    - (c) in relation to the withdrawal of COACS seeding relief under paragraph 16 of Schedule 7A, the portfolio test not being met (see paragraph 16(7)).”

**Changes to legislation:**

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Finance Act 2016. Any changes that have already been made by the team appear in the content and are referenced with annotations.

[View outstanding changes](#)

**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):

- Sch. 19 para. 12(5)(b) inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(c\)](#)
- Sch. 19 para. 12(5)(a) word inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(b\)](#)
- Sch. 19 para. 51(8)(b) words inserted by [2017 c. 32 Sch. 14 para. 48\(2\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(a\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(b\)](#)
- Sch. 19 para. 12(5)(a) words renumbered as Sch. 19 para. 12(5)(a) by [2017 c. 32 Sch. 14 para. 49\(2\)\(a\)](#)
- Sch. 19 para. 58(1) words substituted by [2017 c. 32 Sch. 14 para. 48\(5\)](#)
- Sch. 20 para. 1(4)(e) inserted by [2021 c. 26 Sch. 27 para. 47\(2\)](#)
- Sch. 20 para. 3(3)(d) and word inserted by [2021 c. 26 Sch. 27 para. 47\(3\)\(b\)](#)
- Sch. 20 para. 5(5) inserted by [2021 c. 26 Sch. 27 para. 47\(5\)](#)
- Sch. 22 para. 2(4B) inserted by [2021 c. 26 Sch. 27 para. 48\(2\)\(c\)](#)
- Sch. 22 para. 3(4A) inserted by [2021 c. 26 Sch. 27 para. 48\(3\)](#)