
STATUTORY INSTRUMENTS

1997 No. 2681

The Lloyd's Underwriters (Scottish Limited Partnerships) (Tax) Regulations 1997

Provisions relating to both individual and corporate partners in a Lloyd's Scottish limited partnership

Operation of partnership assessment rules

3.—(1) Where section 111(2)(1) of the Taxes Act applies in relation to a Lloyd's Scottish limited partnership—

- (a) the provisions of Chapter III of Part II of the Finance Act 1993 shall apply, subject to the amendments made by these Regulations, as if the partnership were a member who is an individual;
- (b) the Lloyd's Underwriters (Tax) Regulations 1995(2) shall have effect in relation to that partnership—
 - (i) as if it were a member who is an individual, and
 - (ii) with the omission of regulations 9 to 17;
- (c) the Lloyd's Underwriters (Double Taxation Relief) Regulations 1997(3) shall have effect in relation to that partnership as if it were a member who is an individual.

(2) Where section 114(1)(4) of the Taxes Act applies in relation to a Lloyd's Scottish limited partnership—

- (a) the provisions of Chapter V of Part IV of the Finance Act 1994 shall apply, subject to the amendments made by these Regulations, as if the partnership were a member which is a corporate member;
- (b) the Lloyd's Underwriters (Tax) Regulations 1995 shall have effect in relation to that partnership—
 - (i) as if it were a member which is a corporate member, and
 - (ii) with the omission of regulations 9 to 17.

(1) Section 111 was substituted by section 215(1) of the Finance Act 1994 (as amended by section 117(1)(a) and (2) of the Finance Act 1995) for 1997-98 and subsequent years of assessment.

(2) S.I. 1995/351, amended by S.I. 1996/781.

(3) S.I. 1997/405.

(4) Section 114 was amended by paragraph 3 of Schedule 15, and Part V of Schedule 19, to the Finance Act 1991 (c. 31) and, for 1997/98 and subsequent years of assessment, by section 215(2) and (3)(a) of the Finance Act 1994 (as amended by section 117(1)(c) and (d) of the Finance Act 1995), Part V(24) of Schedule 26 to the Finance Act 1994, and section 125(4) of, and Part VIII(15) of Schedule 29 to, the Finance Act 1995.

Disapplication of cessation provisions

4.—(1) Sections 179 and 179A⁽⁵⁾ of the Finance Act 1993 shall not apply in relation to a Lloyd’s Scottish limited partnership which, by virtue of regulation 3(1), is treated as a member who is an individual.

(2) Section 227 of the Finance Act 1994 shall not apply in relation to a Lloyd’s Scottish limited partnership which, by virtue of regulation 3(2), is treated as a member which is a corporate member.

Ancillary trust funds relating to a Lloyd’s Scottish limited partnership

5.—(1) An ancillary trust fund set up in relation to a Lloyd’s Scottish limited partnership shall be regarded as an ancillary trust fund of that partnership, irrespective of whether the fund is established by the partnership itself or by one or more of the partners in the partnership; and, subject to the modification specified in paragraph (2), section 176⁽⁶⁾ of the Finance Act 1993 and section 223 of the Finance Act 1994 shall apply accordingly.

(2) Subsections (3) and (4) of section 176 of the Finance Act 1993 shall be omitted.

(3) In paragraph (1) “ancillary trust fund”—

- (a) where regulation 3(1) applies, has the meaning given by section 184(1) of the Finance Act 1993⁽⁷⁾;
- (b) where regulation 3(2) applies, has the meaning given by section 230(1) of the Finance Act 1994.

⁽⁵⁾ Section 179 was amended by paragraph 6(1) of Schedule 21, and Part V(25) of Schedule 26, to the Finance Act 1994. Section 179A was inserted by paragraph 6(2) of Schedule 21 to the Finance Act 1994.

⁽⁶⁾ Section 176 was amended by Part V(3) of Schedule 41 to the Finance Act 1996 (c. 8).

⁽⁷⁾ The definition of “ancillary trust fund” in section 184(1) was amended by paragraph 8(1)(a) of Schedule 21, and Part V(25) of Schedule 26, to the Finance Act 1994.