

2000 No. 3112

INCOME TAX

**The Individual Savings Account (Amendment No. 3)
Regulations 2000**

<i>Made</i>	-	-	-	-	<i>22nd November 2000</i>
<i>Laid before the House of Commons</i>					<i>22nd November 2000</i>
<i>Coming into force</i>					<i>13th December 2000</i>

The Treasury, in exercise of the powers conferred on them by section 333 of the Income and Corporation Taxes Act 1988(a), section 151 of the Taxation of Chargeable Gains Act 1992(b) and section 75 of the Finance Act 1998, hereby make the following Regulations:

1. These Regulations may be cited as the Individual Savings Account (Amendment No. 3) Regulations 2000 and shall come into force on 13th December 2000.

2. In these Regulations “the principal Regulations” means the Individual Savings Account Regulations 1998(c) and “regulation” means a regulation of the principal Regulations.

3. In regulation 2(1)(b) after the definition of “authorised unit trust” there shall be inserted the following definition—

““depository interest” means the rights of the person mentioned in paragraph (b), under a certificate or other record (whether or not in the form of a document) acknowledging—

- (a) that a person holds relevant investments or evidence of the right to them, and
- (b) that another person is entitled to rights in or in relation to those or identical relevant investments, including the right to receive such investments, or evidence of the right to them or the proceeds from such investments, from the person mentioned in paragraph (a),

where “relevant investments” means investments which are exclusively qualifying investments for a stocks and shares component falling within any of regulation 7(2)(a) to (h), and the rights mentioned in paragraph (b) are exclusively rights in or in relation to relevant investments;”.

(a) 1988 c. 1; section 333 was amended by section 70 of the Finance Act 1991 (c. 31) and by sections 75 and 123(7) of the Finance Act 1998 (c. 36).

(b) 1992 c. 12; section 151 was amended by section 85 of the Finance Act 1993 (c. 34), by section 64(2) of the Finance Act 1995 (c. 4) and by section 75(6) of the Finance Act 1998, and was extended by section 123(7) of the Finance Act 1998.

(c) S.I. 1998/1870; amended by S.I. 1998/3174, 2000/809, 2079.

4. In regulation 7(a)—

(a) in paragraph (2) after sub-paragraph (h) there shall be inserted the following sub-paragraph—

“(ha) a depositary interest;”;

(b) at the end there shall be added the following paragraph—

“(13) The references to “shares” in paragraphs (2)(h) and (10) shall include references to a depositary interest where the relevant investments in question (referred to in paragraphs (a) and (b) of the definition of “depositary interest”) are shares falling within both paragraphs (2)(h) and (10).”

5. In regulation 31(4)(a) there shall be added at the end the words “with depositary interests being included in the paragraph to which their relevant investments (referred to in paragraphs (a) and (b) of the definition of “depositary interest”) relate”.

Greg Pope
Jim Dowd

22nd November 2000

Two of the Lords Commissioners of Her Majesty's Treasury

(a) Regulation 7 was amended by regulation 5 of S.I. 1998/3174 and regulation 4 of S.I. 2000/2079.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which came into force on 13th December 2000, amend the Individual Savings Account Regulations 1998 (S.I. 1998/1870, amended by S.I. 1998/3174, 2000/809, 2079). The principal effect of the amendments is to add, to the investments which are qualifying investments for a stocks and shares component, depositary interests which represent existing qualifying investments (other than cash).

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