HMRC - CG34752 - Settlor Trusts: Small Benefits

The mere fact that the settlor `benefits’ in some remote way from the settled propertydoes not necessarily mean that it is a benefit within Section 77(3). For example, if thetrustees permit a beneficiary to reside in trust property, normal visits in a familycontext by the settlor to the beneficiary would not be regarded as the enjoyment of abenefit derived from the settled property, but from the hospitality of the beneficiary. Itis considered that the de minimis principle, see Taw & Torridge Festival Society Ltd vCIR, 38TC603, applies in the interpretation of this subsection. Small incidental benefitsto the settlor are to be disregarded.

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