HMRC - CG34760 - Settlor Trusts: Interests To Be Disregarded

TCGA92/S77 (4) - (5)

Certain types of interest which a settlor or settlor’s spouse or civil partner has under the settlement are disregarded in determining whether either has an interest under CG34750. Following FA95 the same rules now apply for Income Tax. See ITTOIA05/S625 (2) & (3).

Any entitlement to the property or income is disregarded if the settlor or any other designated person can only benefit on

the bankruptcy of a beneficiary,

any assignment of, or charge on, the beneficiary’s interest in the property or income,

the failure of a marriage settlement by reason of the death of the married couple and all or any of the children of the marriage,

the death of a child of the settlor who had become beneficially entitled to the property or the income at an age not more than 25, or

so long as a person is alive and under 25, during whose lifetime none of the property or income may become payable to the settlor unless that person becomes bankrupt or assigns etc his interest.

Previous page

Next page