HMRC - CG34800 - Settlor Trusts: Meaning Of Settlor

TCGA92/S79

For the purposes of TCGA92/S77 a person is a settlor in relation to a settlement if the settled property consists of or includes property directly or indirectly provided by him. A settlor cannot avoid liability by arranging for another person to provide the property under reciprocal arrangements (“arrangements” includes any scheme, agreement or understanding, whether or not legally enforceable). The word ‘provided’ is regarded as importing the ‘bounty’ test, see CG35020+. For the purposes of Part 5 Chapter 5 ITTOIA the word ‘settlement’ imports the bounty test. Therefore with certain exceptions, see for example CG34801 and CG34804, if TCGA92/S77 applies ITTOIA05/S819 does also.

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