HMRC - CG34970 - Settlor Trusts: Recovery By Settlor From Trustees Of Tax Paid

TCGA92/S78

If a settlor pays tax on trust gains as a result of these provisions he is entitled torecover that tax from the trustees of the settlement. Under Section 78(1) he can requirean Inspector to provide him with a certificate showing

the amount of the trust gains in respect of which he has paid tax,

and

the amount of that tax.

Where such a certificate is required, the District should first compute the additionaltax chargeable on the settlor. For this purpose the gains of the settlement are to betreated as the top slice of the amount on which the settlor is chargeable to CGT for theyear.

If a settlor is assessed under both TCGA92/S77 and TCGA92/S86, then the gains assessedunder Section 86 are the top slice of all his gains. (See Section 78(3)).

Previous page

Next page