HMRC - STSM107130 - Fund Supermarkets - Switching

Many fund supermarkets allow investors to switch their interest in units or shares held in one underlying third party unit trust or Open-Ended Investment Company (OEIC) to another that is linked to the supermarket.

All that is required is a single on-line instruction from the investor to the fund supermarket. In turn, the supermarket will notify the relevant fund manager of the quantity of units/OEIC shares to be surrendered and, send a separate instruction to the other fund manager advising of the quantity of units/OEIC shares to be issued. This is to enable the respective managers of each of the underlying funds to include the quantity of units/OEIC shares either surrendered or issued to be included in their stamp duty reserve tax FA99/SCH19 monthly computation.

See STSM101020 for the meaning of a unit trust.

See STSM101050 for the meaning of an open-ended investment company.

Previous page