STATUTORY INSTRUMENTS

2009 No. 1482

CORPORATION TAX

The Real Estate Investment Trusts (Amendment of Schedule 16 to the Finance Act 2006) Regulations 2009

Made - - - -	*12th June 2009*
Laid before the House of Commons	*15th June 2009*
Coming into force - -	*6th July 2009*

The Commissioners for Her Majesty's Revenue and Customs make the following Regulations in exercise of the power conferred on them by paragraph 14(b) of Schedule 16 to the Finance Act 2006(**a**):

Citation and commencement

1. These Regulations may be cited as the Real Estate Investment Trusts (Amendment of Schedule 16 to the Finance Act 2006) Regulations 2009 and shall come into force on 6th July 2009.

Amendment of Schedule 16 to the Finance Act 2006

2. In Schedule 16 (excluded business and income) to the Finance Act 2006—

(a) for paragraph 3 substitute—

"**3.**—(1) Letting of property if the property would fall in accordance with generally accepted accounting practice to be described as owner-occupied.

(2) For the purpose of sub-paragraph (1), no account shall be taken of the fact that a property may fall to be described as owner-occupied by reason only of the provision of services to an occupant who—

(a) is in exclusive occupation of the property, and

(b) is not connected with a member of the group (within the meaning given by section 839 of ICTA)."

11th June 2009 *Bernadette Kenny*
12th June 2009 *Dave Hartnett*
Two of the Commissioners of Her Majesty's Revenue and Customs

(**a**) 2006 c.25.

EXPLANATORY NOTE

(This note is not part of the Regulations)

Part 4 of the Finance Act 2006 sets out the structure of the Real Estate Investment Trusts regime and the types of activity and business that qualify for REIT status. Part 1 of Schedule 16 to that Act excludes certain classes of business from qualifying.

Regulation 2 replaces paragraph 3 of Schedule 16 to the Finance Act 2006, so that property letting is excluded from the regime where it would fall in accordance with generally accepted accounting practice to be described as owner-occupied.

A full and final Impact Assessment has not been produced for this instrument as a negligible impact on the private or voluntary sectors is foreseen.

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