

STATUTORY INSTRUMENTS

2007 No. [wxyz]

CORPORATION TAX

The Real Estate Investment Trusts (Financial Statements of Group Real Estate Investment Trusts) (Amendment) Regulations 2007

Made - - - - ***
Laid before the House of Commons ***
Coming into force - - ***

The Commissioners for Her Majesty’s Revenue and Customs make the following Regulations in exercise of the powers conferred by section 144 of, and paragraph 31(7) of Schedule 17 to, the Finance Act 2006(a).

Citation, commencement and effect

1.—(1) These Regulations may be cited as the Real Estate Investment Trusts (Financial Statements of Group Real Estate Investment Trusts) (Amendment) Regulations 2007 and shall come into force on [day] [month] 2007.

(2) These Regulations have effect in relation to accounting periods beginning on and after 1st January 2007. [DN:- At the moment I do not believe that we have the vires to say this.]

Amendments to the principal Regulations

2.—(1) The Real Estate Investment Trusts (Financial Statements of Group Real Estate Investment Trusts) Regulations 2006(b) are amended as follows.

- (2) Regulation 7 (treatment of certain exceptional items) is revoked.
(3) For regulation 9 (joint ventures) substitute—

“Joint ventures

- 9.—(1) This regulation applies if—
(a) a member of a group (the “venturing group”) is a venturer in a joint venture, and
(b) notice has been given—
(i) in accordance with the Joint Ventures Regulations for those Regulations to apply to the joint venture, or

(a) 2006 c. 25. [Note:- It is possible that amendments in FA 2007 may make it necessary to say more.]
(b) S.I. 2006/2865.

- (ii) in accordance with the Real Estate Investment Trusts (Joint Venture Groups) Regulations 2007^(a) for those Regulations to apply to the joint venture.

(2) If the joint venture takes the form of a company, the joint venture must be treated, for accounting purposes, as a member of the venturing group for the purposes of the financial statements specified in regulation 4(2).

(3) If the joint venture takes the form of another group (“the joint venture group”), the principal company of the venturing group must reflect the relevant information in its financial statements.

(4) In paragraph (3) the “relevant information” means the information specified in subparagraphs (3) and (4) of paragraph 31 as set out in the financial statements of the principal company of the joint venture group.”.

[Day/Month] 2007 [abc]
[def]
Two of the Commissioners for Her Majesty’s Revenue and Customs

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Real Estate Investment Trusts (Financial Statements of Group Real Estate Investment Trusts) Regulations 2006 (S.I. 2006/2865) (“the principal Regulations”).

These Regulations revoke regulation 7 of the principal Regulations, which dealt with the treatment of certain exceptional items, and substitute a new regulation 9 which deals with joint ventures. The new regulation contains additional provisions which apply if the joint venture takes the form of a group of companies.

[There may well have to be a further paragraph dealing with retrospection matters.]

[And the final paragraph will need to deal with the matter of a regulatory impact assessment.]

^(a) S.I. 2007/[xxxx].