

Important information

Taxation

Distributions shown on your consolidated tax voucher (CTV) are classified as either interest or dividend. The income tax consequences are set out below:-

Income Tax: Dividend distributions

You should disclose the Gross Distribution Amount in your annual tax return. Dividend distributions carry no tax credit and are paid free of withholding tax which should be reported in your tax return as received gross.

For the tax year 2018/2019, UK residents each receive a tax free dividend allowance of £2,000 per annum. The total amount of dividends received in excess of this allowance will be treated at 7.5% within the basic rate band, 32.5% within the higher rate band and 38.1% thereafter.

Income Tax: Interest distributions

You should disclose the Gross Distribution Amount in your annual tax return. Interest distributions payable after 6th April 2016 will be paid gross i.e. without any income tax deduction. However, you may still be required to pay income tax on this income depending on available tax allowances and other income you may have received. For 2018/2019, UK residents each receive up to £1,000 Personal Savings Allowance if you are a Basic Rate taxpayer and £500 if you are a higher rate taxpayer. Additional Rate taxpayers receive £Nil Personal Savings Allowance.

Should you have any questions regarding your tax position, you should contact your tax advisor.

Non-UK Residents

Non-UK residents should seek tax advice.

Unit/share groupings

Group 1 units or shares are those units/shares held prior to the distribution period.

Group 2 units or shares are those units/shares purchased during the distribution period and which are

held at close of business at the end of the distribution period. Group 2 units/shares may constitute all or part of your total holdings.

Equalisation relating to group 2 units/shares

'Equalisation' is accrued income included in the price of Group 2 units or shares purchased during the distribution period. It should be deducted from the cost of units or shares for capital gains tax purposes and is not subject to income tax.

Further information

A duplicate CTV will only be issued in exceptional circumstances, and a charge may be made for this.

CTVs should be retained for tax purposes as evidence for HMRC or your tax authority.

Tax documentation is only sent to the first named unit or share holder. If you are the first named joint unit or share holder or have been during the period, you should provide the other joint unit or share holder with the relevant tax information.

If you have any questions or require any additional information, please contact our Administration Centre on 0345 777 5511.