

# CORPORATION TAX

## INCOME TAX

### The Investment Manager (Investment Transactions) (Cryptoassets) Regulations 2022

The Commissioners for His Majesty's Revenue and Customs make the following Regulations in exercise of the powers conferred by sections 827(2) and 835S(4) of the Income Tax Act 2007<sup>(a)</sup> and section 1150 of the Corporation Tax Act 2010<sup>(b)</sup>.

#### Citation, commencement and effect

1.—(1) These Regulations may be cited as the Investment Manager (Investment Transactions) (Cryptoassets) Regulations 2022 and come into force on 1st January 2023.

(2) These Regulations have effect in relation to transactions entered into during—

- (a) accounting periods current on the date on which these regulations are made, and any subsequent accounting period, or
- (b) the tax year 2022-23, and any subsequent tax year.

#### Investment transactions

2.—(1) A transaction in a designated cryptoasset is specified for the purposes of—

- (a) section 827 of the Income Tax Act 2007,
- (b) section 835S of the Income Tax Act 2007, and
- (c) section 1150 of the Corporation Tax Act 2010.

This is subject to paragraph (3).

(2) For the purposes of these Regulations—

- (a) “cryptoasset” has the same meaning as “crypto-asset” in the publication “Crypto-Asset Reporting Framework and Amendments to the Common Reporting Standard” published by the Organisation for Economic Cooperation and Development on 10 October 2022<sup>(c)</sup>, and
- (b) a cryptoasset is a “designated cryptoasset” unless it represents rights in respect of—
  - (i) a transaction, other than one relating to the provision of services, which would not fall within regulation 2(2) of the Investment Transactions (Tax) Regulations 2014<sup>(d)</sup> if the modifications in regulation 2(2) to (5) of the Investment Manager (Investment Transactions) Regulations 2014<sup>(e)</sup> were applied in relation to that provision,

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(a) 2007 c. 3. Subsections (2) and (3) of section 827 were substituted by paragraph 5(2) of Schedule 16 to the Finance Act 2008 (c. 9). Section 835S was inserted by paragraph 17 of Schedule 6 to the Taxation (International and Other Provisions) Act 2010 (c. 8).

(b) 2010 c. 4.

(c) A paper copy of the publication is available for inspection at the following address: His Majesty's Revenue and Customs, 100 Parliament Street, London SW1A 2BQ. The document is also available online at <https://www.oecd.org/tax/exchange-of-tax-information/crypto-asset-reporting-framework-and-amendments-to-the-common-reporting-standard.htm>.

(d) S.I. 2014/685.

(e) The Investment Manager (Investment Transactions) Regulations 2014 were made on 18 March 2014. A paper copy of the Regulations is available for inspection at the following address: His Majesty's Revenue and Customs, 100 Parliament Street, London SW1A 2BQ. The Regulations are also available online at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/337223/investment-manager-regs-2014.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/337223/investment-manager-regs-2014.pdf).

- (ii) property a transaction in which would not fall within regulation 2(2) as so modified, unless that property is another designated cryptoasset, or
- (iii) the provision of services, if those rights are exercised in the period whilst the cryptoasset is held by the non-UK resident**(a)**.

(3) A transaction is not specified for the purposes set out in paragraph (1) if the designated cryptoasset was created or issued by—

- (a) the non-UK resident,
- (b) an investment manager**(b)** acting on behalf of that non-UK resident, or
- (c) a person connected**(c)** with a person in paragraph (a) or (b).

19th December 2022

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(a) “Non-UK resident” is defined in section 989 of the Income Tax Act 2007 and section 1119 of the Corporation Tax Act 2010.

(b) “Investment manager” is defined in sections 827(1) and 835S(3) of the Income Tax Act 2007 and section 1150(1) of the Corporation Tax Act 2010.

(c) The circumstances in which a person is “connected” to another are defined in section 993 of the Income Tax Act 2007 and section 1122 of the Corporation Tax Act 2010.