



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART XII

SPECIAL CLASSES OF COMPANIES AND BUSINESSES

CHAPTER I

INSURANCE COMPANIES, UNDERWRITERS AND CAPITAL REDEMPTION BUSINESS

[^{F1} Provisions applying in relation to overseas life insurance companies]

[^{F1}444D Qualifying distributions, tax credits, etc.

- (1) Subsection (2) below applies where—
 - (a) an overseas life insurance company receives a qualifying distribution made by a company resident in the United Kingdom; and
 - (b) the distribution (or part of the distribution)—
 - (i) would fall within paragraph (a), (aa) or (ab) of section 11(2) (as section 11(2) has effect by virtue of Schedule 19AC) but for the exclusion contained in that paragraph; and
 - (ii) is referable to life assurance business.
- (2) Where this subsection applies the recipient shall be treated for the purposes of the Corporation Tax Acts as entitled to such a tax credit in respect of the distribution (or part of the distribution) as it would be entitled to under section 231 if it were resident in the United Kingdom.
- (3) Where part only of a qualifying distribution would fall within paragraph (ab) of section 11(2) (as section 11(2) has effect by virtue of Schedule 19AC) but for the exclusion contained in that paragraph, the tax credit to which the recipient shall be treated as entitled by virtue of subsection (2) above is the proportionate part of the tax

Status: Point in time view as at 27/07/1993. This version of this provision has been superseded.

Changes to legislation: *Income and Corporation Taxes Act 1988, Section 444D is up to date with all changes known to be in force on or before 15 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

credit to which the recipient would be so treated as entitled in respect of the whole of the distribution.

- (4) In this section “UK distribution income” means income of an overseas life insurance company which consists of a distribution (or part of a distribution) in respect of which the company is entitled to a tax credit (and which accordingly represents income equal to the aggregate of the amount or value of the distribution (or part) and the amount of that credit).
- (5) An overseas life insurance company may, on making a claim for the purpose, require that any UK distribution income for an accounting period shall for all or any of the purposes mentioned in subsection (6) below be treated as if it were a like amount of profits chargeable to corporation tax; and where it does so—
- (a) the provisions mentioned in subsection (6) below shall apply to reduce the amount of the UK distribution income; and
 - (b) the company shall be entitled to have paid to it the amount of the tax credits comprised in the amount of UK distribution income which is so reduced.
- (6) The purposes for which a claim may be made under subsection (5) above are those of—
- (a) the setting of trading losses against total profits under section 393A(1);
 - (b) the deduction of charges on income under section 338 or paragraph 5 of Schedule 4;
 - (c) the deduction of expenses of management under section 76;
 - (d) the setting of certain capital allowances against total profits under section 145(3) of the 1990 Act.
- (7) Subsections (3), (4) and (8) of section 242 shall apply for the purposes of a claim under subsection (5) above as they apply for the purposes of a claim under that section.]

Textual Amendments

- F1** [S. 444D](#) inserted (27.7.1993 with effect for the accounting period beginning after 31.12.1992) by [1993 c. 34, s. 99\(1\)\(3\)](#)

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