



# Finance Act 1996

## 1996 CHAPTER 8

### PART IV **U.K.**

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER VI **U.K.**

#### MISCELLANEOUS PROVISIONS

##### *Insurance companies*

#### [<sup>F1</sup>170] **Time for amending and enquiring into returns.** **U.K.**

- (1) After section 11AB of the <sup>M1</sup>Taxes Management Act 1970 there shall be inserted the following sections—

**“ Modifications of sections 11AA and 11AB in relation to non-annual accounting of general insurance business.**

- (1) This section applies in any case where a company carrying on insurance business in any period delivers a return for that period under section 11 of this Act which is based wholly or partly on accounts which the company is required or permitted to draw up using the method described in paragraph 52 of Schedule 9A to the <sup>M2</sup>Companies Act 1985 (accounting for general insurance business on a non-annual basis).
- (2) Where this section applies, section 11AA(2) of this Act shall have effect as if after paragraph (b) there were added “and
- (c1) where a company has delivered a return which is based wholly or partly on accounts drawn up as mentioned in section 11AC(1) of this Act, then, at any time before the end of the period of twelve months beginning with the date on which any particular technical provision constituted in the case of those accounts as described in paragraph 52

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of Schedule 9A to the <sup>M3</sup>Companies Act 1985 is replaced as described in sub-paragraph (4) of that paragraph, the company may by notice to an officer of the Board so amend its self-assessment as to give effect to any amendments to the return—

- (i) which arise from the replacement of that technical provision, and
- (ii) which the company has notified to such an officer.”

(3) Where this section applies, section 11AB of this Act shall have effect—

- (a) as if in subsection (1)(b) after “subsection (2)(b)” there were inserted “or (c1)”; and
- (b) as if in subsection (2) for the words from “is” to the end of paragraph (b) there were substituted—
  - (“ in the case of a return (whenever delivered) which is based wholly or partly on accounts drawn up as mentioned in section 11AC(1) of this Act, is whichever of the following periods ends the later, that is to say—
    - (i) the period of two years beginning with the date (or, if there is more than one such date, the latest date) on which any technical provision constituted in the case of those accounts as described in paragraph 52 of Schedule 9A to the Companies Act 1985 is replaced as mentioned in sub-paragraph (4) of that paragraph; or
    - (ii) the period ending with the quarter day next following the first anniversary of the day on which the return was delivered; and
- (b1) in the case of an amendment of such a return—
  - (i) if the amendment is made on or before the filing date, is the period of twelve months beginning with that date; or
  - (ii) if the amendment is made after that date, is the period ending with the quarter day next following the first anniversary of the day on which the amendment was made;”.

**Modifications of sections 11AA and 11AB for insurance companies with non-annual actuarial investigations.**

- (1) This section applies in any case where a return under section 11 of this Act is delivered by an insurance company which is permitted by an order under section 68 of the <sup>M4</sup>Insurance Companies Act 1982 to cause investigations to be made into its financial condition less frequently than is required by section 18 of that Act.
- (2) Where this section applies, section 11AA(2) of this Act shall have effect as if, after paragraph (b), there were added “and
  - (c2) where a company falling within section 11AD(1) of this Act has delivered a return for any period, then, at any time before the end of the period of twelve months beginning with the date as at which the relevant investigation is carried out, that is to say—
    - (i) if the return is for a period as at the end of which there is carried out an investigation under section 18 of the <sup>M5</sup>Insurance Companies Act 1982 into the financial condition of the company, that investigation, or

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- (ii) if the return is not for such a period, the first such investigation to be made into the financial condition of the company as at the end of a subsequent period, the company may by notice to an officer of the Board so amend its self-assessment as to give effect to any amendments to its return which arise from that investigation and which the company has notified to such an officer.”
- (3) Where this section applies, section 11AB of this Act shall have effect—
- (a) as if in subsection (1)(b) after “subsection (2)(b)” there were inserted “or (c2)”; and
- (b) as if in subsection (2) for the words from “is” to the end of paragraph (b) there were substituted—
- (“ in the case of a return delivered at any time by a company falling within section 11AD(1) of this Act, is the period of two years beginning with the date as at which the relevant investigation, as defined in section 11AA(2)(c2) of this Act, is carried out; and
- (b2) in the case of an amendment of such a return—
- (i) if the amendment is made on or before the filing date, is the period of twelve months beginning with that date; or
- (ii) if the amendment is made after that date, is the period ending with the quarter day next following the first anniversary of the day on which the amendment was made;”.

**Modifications of sections 11AA and 11AB for friendly societies with non-annual actuarial investigations.**

- (1) This section applies in any case where a return under section 11 of this Act is delivered by a friendly society which is required by section 47 of the <sup>M6</sup>Friendly Societies Act 1992 to cause an investigation to be made into its financial condition at least once in every period of three years.
- (2) Where this section applies, section 11AA(2) of this Act shall have effect as if, after paragraph (b), there were added “and
- (c3) where a friendly society falling within section 11AE(1) of this Act has delivered a return for any period, then, at any time before the end of the period of fifteen months beginning with the date as at which the relevant investigation is carried out, that is to say—
- (i) if the return is for a period as at the end of which there is carried out an investigation under section 47 of the <sup>M7</sup>Friendly Societies Act 1992 into the financial condition of the society, that investigation, or
- (ii) if the return is not for such a period, the first such investigation to be made into the financial condition of the society as at the end of a subsequent period, the society may by notice to an officer of the Board so amend its self-assessment as to give effect to any amendments to its return which arise from that investigation and which the society has notified to such an officer.”
- (3) Where this section applies, section 11AB of this Act shall have effect—

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- (a) as if in subsection (1)(b) after “subsection (2)(b)” there were inserted “or (c3)”; and
  - (b) as if in subsection (2) for the words from “is” to the end of paragraph (b) there were substituted—
  - (“ in the case of a return delivered at any time by a friendly society falling within section 11AE(1) of this Act, is the period of twenty seven months beginning with the date as at which the relevant investigation, as defined in section 11AA(2)(c3) of this Act, is carried out; and
  - (b3) in the case of an amendment of such a return—
    - (i) if the amendment is made on or before the filing date, is the period of twelve months beginning with that date; or
    - (ii) if the amendment is made after that date, is the period ending with the quarter day next following the first anniversary of the day on which the amendment was made;”.
- (2) The amendment made by subsection (1) above shall have effect as respects accounting periods ending on or after the day appointed under section 199 of the <sup>M8</sup>Finance Act 1994 for the purposes of Chapter III of Part IV of that Act (self-assessment management provisions).]

#### Textual Amendments

- F1** S. 170 repealed (31.7.1998 with effect as mentioned in Sch. 27 Pt. III(28), Note) by [1998 c. 36, s. 165, Sch. 27 Pt. III\(28\)](#)

#### Marginal Citations

- M1** 1970 c. 9.  
**M2** 1985 c. 6.  
**M3** 1985 c. 6.  
**M4** 1982 c. 50.  
**M5** 1982 c. 50.  
**M6** 1992 c. 40.  
**M7** 1992 c. 40.  
**M8** 1994 c. 9.

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