



Finance Act 2002

2002 CHAPTER 23

PART 3 U.K.

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 2 U.K.

OTHER PROVISIONS

Computation of profits

66 Election to continue postponement of mark to market U.K.

- (1) Where section 65 (postponement of change to mark to market in certain cases) applies in relation to a period of account, the company may elect that it shall continue to apply in relation to subsequent periods of account as regards assets held by it on 1st January 2002.

Any such election must be made within twelve months after the end of the accounting period of the company current on that date.

- (2) An insurance company that carries on both long-term business and business other than long-term business may make an election under this section limited to assets held by the company otherwise than in the company's long-term insurance fund.
- (3) For the purpose of determining whether an election under this section applies to an asset in a case where—
- assets are realised by the company in an accounting period beginning on or after 1st January 2002,
 - the assets are of such a kind that the particular assets realised are not readily identifiable,
 - the realisation does not exhaust the company's holding, and
 - some but not all of the company's holding was acquired after 1st January 2002,

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2002, Section 66. (See end of Document for details)

assets realised shall be identified with assets acquired on the same basis as that used by the company for accounting purposes, unless the basis used by the company is “last in, first out” in which case assets realised shall be identified with assets acquired on or before 1st January 2002 in priority to assets acquired after that day.

- (4) Where a company has made an election under this section and—
- (a) an asset in relation to which the election has effect is transferred to another company (“the transferee company”) in pursuance of [^{F1}an insurance business transfer] scheme, and
 - (b) immediately after the transfer either—
 - (i) the transferee company is resident in the United Kingdom, or
 - (ii) the asset is held for the purposes of a business carried on by the transferee company in the United Kingdom through a branch or agency,

this section applies as if the transferee company had made an election under this section in relation to that asset.

(5) ^{F2}...

^{F2}.....
^{F3}.....

^{F4}(6).....

^{F4}(7).....

Textual Amendments

F1 Words in s. 66(4)(a) substituted (with effect in accordance with Sch. 9 para. 17(1) to the amending Act) by [Finance Act 2007 \(c. 11\)](#), **Sch. 9 para. 1(4)(a)**

F2 Words in s. 66(5) repealed (with effect in accordance with Sch. 10 para. 17(2) to the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 10 para. 14\(10\)\(a\)](#), **Sch. 27 Pt. 2(10)**

F3 Words in s. 66(5) repealed (with effect in accordance with Sch. 9 para. 17(1) to the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 9 para. 1\(4\)\(b\)](#), **Sch. 27 Pt. 2(9)**

F4 S. 66(6)(7) repealed (with effect in accordance with Sch. 9 para. 17(1) to the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 9 para. 1\(4\)\(c\)](#), **Sch. 27 Pt. 2(9)**

Modifications etc. (not altering text)

C1 S. 66 modified by SI 1997/473 reg. 53E (as inserted (30.1.2003) by [The Friendly Societies \(Modification of the Corporation Tax Acts\) \(Amendment\) Regulations 2003 \(S.I. 2003/23\)](#), regs. 1(1), **10**

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2002, Section 66.