



Income Tax (Trading and Other Income) Act 2005

2005 CHAPTER 5

PART 4

SAVINGS AND INVESTMENT INCOME

CHAPTER 9

GAINS FROM CONTRACTS FOR LIFE INSURANCE ETC.

When chargeable events occur: general

484 When chargeable events occur

- (1) The following are chargeable events—
 - (a) in the case of any kind of policy or contract—
 - (i) the surrender of all rights under the policy or contract,
 - (ii) the assignment of all those rights for money or money's worth,
 - (iii) the falling due of a sum payable as a result of a right under a policy or contract to participate in profits, if there are no remaining rights under it,
 - (iv) a chargeable event treated as occurring under section 509(1) (chargeable events in certain cases where periodic calculations show gains),
 - (v) a surrender or assignment treated as a chargeable event under section 514(1) (chargeable events where transaction-related calculations show gains), and
 - (vi) a chargeable event treated as occurring under section 525(2) (chargeable events where annual personal portfolio bond calculations show gains),

Changes to legislation: *There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Section 484. (See end of Document for details)*

- (b) in the case of a policy of life insurance, a death giving rise to benefits under it,
 - (c) in the case of a policy of life insurance or a capital redemption policy, its maturity,
 - (d) in the case of a contract for a life annuity which provides for the payment of a capital sum on death, the death, and
 - (e) in the case of a contract for a life annuity which provides for a capital sum to be taken as a complete alternative to the annuity payments (or any further annuity payments), taking the capital sum.
- (2) Subsection (1) is subject to—
- section 485 (disregard of certain events in relation to qualifying policies),
 - section 486 (exclusion of maturity of capital redemption policies in certain circumstances),
 - section 487 (disregard of certain assignments), and
 - section 488 (disregard of certain events following alterations of life insurance policy terms).
- (3) See also section 490 (last payment under guaranteed income bonds etc. treated as total surrender).

Changes to legislation:

There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Section 484.