
STATUTORY INSTRUMENTS

2008 No. 381

**The Insurance Business Transfer Schemes
(Amendment of the Corporation Tax Acts) Order 2008**

Amendment of section 444AC

17.—(1) Section 444AC (transfer schemes transferring whole of business: reduction in income of transferee) is amended as follows.

(2) In subsection (1)—

(a) omit “the whole, or substantially the whole, of the”, and

(b) for “conditions A and B are” substitute “the condition in subsection (2) below is”.

(3) In subsection (2), for “Condition A” substitute “The condition”.

(4) Omit subsection (3).

(5) In subsection (4), for “the transferred surplus” substitute “lesser of the transferred surplus and any positive amount shown (or treated as shown) in line 13 of Form 14 in the periodical return for the last period of account of the transferor ending before the transfer date”.

(6) In subsection (5), for the words from “means” to the end substitute—

“is VE – RBTO where—

(a) VE has the same meaning as in section 444ABB, and

(b) RBTO means so much of BTO as relates to relevant non-transferred assets transferred to the transferee where—

(i) BTO has the same meaning as in section 444ABA, and

(ii) “relevant non-transferred assets” has the same meaning as in section 444AB.”

(7) After subsection (5) insert—

“(5A) Where the transfer is to more than one transferee, the amount of any reduction to be made in accordance with subsection (4) above is to be apportioned to each transferee on a just and reasonable basis.”

(8) The heading accordingly becomes “Transfer schemes: reduction of income of transferee”.