



# 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

*[<sup>F1</sup>Miscellaneous provisions relating to life assurance business]*

#### **[<sup>F1</sup>444AA] Transfers of business: deemed periodical return**

- (1) This section applies where an insurance business transfer scheme has effect to transfer the whole of the long-term business of one person (“the transferor”).
- (2) Where the last period covered by a periodical return of the transferor ends otherwise than immediately before the transfer, there is to be deemed for the purposes of corporation tax to be a periodical return of the transferor covering the period—
  - (a) beginning immediately after the last period ending before the transfer which is covered by an actual periodical return of the transferor, and
  - (b) ending immediately before the transfer,containing such entries as would have been included in an actual periodical return of the transferor covering that period (and so making that period a period of account of the transferor).
- (3) Where the last period covered by a periodical return of the transferor (whether or not by virtue of subsection (2) above) ends immediately before the transfer, there is to be deemed for the relevant purpose to be a periodical return of the transferor—
  - (a) covering the time of the transfer, and

*Status: Point in time view as at 20/07/2005. This version of this provision has been superseded.*

**Changes to legislation:** *Income and Corporation Taxes Act 1988, Section 444AA is up to date with all changes known to be in force on or before 03 June 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)*

- (b) containing such entries as would have been included in an actual periodical return covering the time of the transfer,  
 (and so making the time of the transfer a period of account of the transferor for the relevant purpose).
- (4) Where the last period covered by a periodical return of the transferor ends after the transfer, the periodical return covering that period is to be ignored for all purposes of corporation tax other than the relevant purpose.
- (5) In this section “the relevant purpose” means determining for the purposes of section 83(2B) of the Finance Act 1989 whether a transfer is brought into account as part of total expenditure.
- (6) For the purposes of this section “insurance business transfer scheme” includes a scheme which would be such a scheme but for section 105(1)(b) of the Financial Services and Markets Act 2000 (which requires the business transferred to be carried on in an EEA State).
- [ Where this section applies in relation to a transfer in a case in which the transferor<sup>F2</sup>(7) continues, after the transfer, to carry on insurance business which is not long-term business—
- (a) references in this section to the last period covered by a periodical return (or deemed periodical return) of the transferor shall be taken to be references to the last period covered by a periodical return (or deemed periodical return) of the transferor containing entries relating to long-term business;
- (b) subsection (4) above is to be read as if after “other than” there were inserted the purposes of sections 444BA to 444BD and.]]

#### Textual Amendments

- F1** S. 444AA inserted (with effect in accordance with Sch. 33 para. 18(2) of the amending Act) by Finance Act 2003 (c. 14), **Sch. 33 para. 18(1)**
- F2** S. 444AA(7) inserted (with effect in accordance with Sch. 9 para. 6(3) of the amending Act) by Finance (No. 2) Act 2005 (c. 22), **Sch. 9 para. 6(2)**

**Status:**

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