

Status: Point in time view as at 10/07/2003.

Changes to legislation: Taxation of Chargeable Gains Act 1992, SCHEDULE 7B is up to date with all changes known to be in force on or before 02 July 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)

SCHEDULES

[^{F1} SCHEDULE 7B

Section 214B.

MODIFICATION OF ACT IN RELATION TO OVERSEAS LIFE INSURANCE COMPANIES

Textual Amendments

F1 Sch. 7B inserted (27.7.1993) by 1993 c. 34, s. 102(2), [Sch.11](#)

- 1 In its application to an overseas life insurance company ^{F2}... this Act shall have effect with the following modifications; and in those modifications any reference to the Taxes Act is a reference to that Act as it has effect in relation to such a company by virtue of Schedule 19AC to that Act.

Textual Amendments

F2 Words in Sch. 7B para. 1 repealed (10.7.2003) by [Finance Act 2003 \(c. 14\)](#), [Sch. 43 Pt. 3\(12\)](#)

- 2 (1) In section 13(5)(d), the words “section 11(2)(b), (c), (d) or (e) of the Taxes Act” shall be treated as substituted for the words “section 10(3)”.
- (2) This paragraph shall apply in relation to chargeable gains accruing to companies in accounting periods beginning after 31st December 1992.
- 3 (1) In section 16(3), the words “under section 11(2)(b), (c), (d) or (e) of the Taxes Act” shall be treated as substituted for the words “under section 10”.
- (2) This paragraph shall apply in relation to accounting periods beginning after 31st December 1992.
- 4 (1) In section 25, the following subsection shall be treated as substituted for subsection (7)—
- “(7) For the purposes of this section an asset is at any time a chargeable asset in relation to an overseas life insurance company if, were it to be disposed of at that time, any chargeable gains accruing to the company on the disposal would form part of its chargeable profits for corporation tax purposes by virtue of section 11(2)(b), (c), (d) or (e) of the Taxes Act.”
- (2) This paragraph shall apply in relation to accounting periods beginning after 31st December 1992.
- 5 (1) In section 140A(2), the words “ section 11(2)(b), (c) or (d) of the Taxes Act ” shall be treated as substituted for the words “section 10(3)”.
- (2) This paragraph shall apply in relation to transfers taking place in accounting periods of company B beginning after 31st December 1992.

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- 6 (1) In section 159(4)(b), the words “ section 11(2)(b), (c) or (d) of the Taxes Act ” shall be treated as substituted for the words “section 10(3)”.
- (2) This paragraph shall apply in relation to disposals or acquisitions made in accounting periods beginning after 31st December 1992.

[^{F3}6A In section 171(1A), the words “section 11(2)(b), (c), (d) or (e) of the Taxes Act” shall be treated as substituted for the words “section 10(3)”.

Textual Amendments
F3 Sch. 7B paras. 6A, 6B inserted (with effect in accordance with Sch. 29 para. 39(5) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), [Sch. 29 para. 39\(2\)](#)

6B In section 175(2AA), the words “section 11(2)(b), (c), (d) or (e) of the Taxes Act” shall be treated as substituted for the words “section 10(3)”.]

Textual Amendments
F3 Sch. 7B paras. 6A, 6B inserted (with effect in accordance with Sch. 29 para. 39(5) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), [Sch. 29 para. 39\(2\)](#)

^{F4}7

Textual Amendments
F4 Sch. 7B para. 7 repealed (with effect in accordance with Sch. 40 Pt. II(12) Note 5 of the amending Act) by [Finance Act 2000 \(c. 17\)](#), [Sch. 40 Pt. II\(12\)](#)

[^{F5}7A In section 179A(12), the words “section 11(2)(b), (c) or (d) of the Taxes Act” shall be treated as substituted for “section 10(3)”.]

Textual Amendments
F5 Sch. 7B para. 7A inserted (with application in accordance with s. 42(4) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 42\(2\)](#)

- 8 (1) In subsections (2)(a) and (3) of section 185, the words “ or (4A) ”shall be treated as inserted after the words “subsection (4)”.
- (2) The following subsections shall be treated as inserted after subsection (4) of that section —
 - “(4A) Subject to subsection (4B) below, if at any time after the relevant time the company is an overseas life insurance company —
 - (a) any assets of its [^{F6}long-term insurance] fund which, immediately after the relevant time —
 - (i) are situated outside the United Kingdom and are used or held for the purposes of the branch or agency in the United Kingdom through which the company carries on life assurance business; or

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- (ii) are attributed to the branch or agency by virtue of section 11B of the Taxes Act,
shall be excepted from subsection (2) above; and
- (b) any new assets of its [^{F6}long-term insurance] fund which, after that time —
- (i) are so situated and are so used or held; or
- (ii) are so attributed,
shall be excepted from subsection (3) above.
- (4B) Subsection (4A) above shall not apply if the relevant time falls before the relevant day; and for the purposes of this subsection the relevant day is the first day of the company's first accounting period to begin after 31st December 1992.”
- (3) In subsection (5) of that section, the following paragraph shall be treated as inserted after paragraph (b) —
- “(ba) “life assurance business” and “[^{F6}long-term insurance] fund” have the meanings given by section 431(2) of the Taxes Act;”

Textual Amendments

F6 Words in Sch. 7B para. 8(2)(3) substituted (1.12.2001) by [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2001 \(S.I. 2001/3629\)](#), arts. 1(2)(a), **73(1)(b)**

- 9 (1) In [^{F7}section 190(2)(b)], the words “section 11(2)(b), (c), (d) or (e) of the Taxes Act” shall be treated as substituted for the words “section 10(3)”.
- (2) This paragraph shall apply in relation to accounting periods beginning after 31st December 1992.

Textual Amendments

F7 Words in Sch. 7B para. 9 substituted (with effect in accordance with Sch. 29 para. 39(6) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), **Sch. 29 para. 39(3)**

- [^{F8}9A In section 211(1), the reference to [^{F9}an insurance business transfer scheme] shall be treated as including a reference to any qualifying overseas transfer (within the meaning of paragraph 4A of Schedule 19AC to the Taxes Act).]

Textual Amendments

F8 Sch. 7B para. 9A inserted (with effect in accordance with s. 53(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), **Sch. 9 para. 6(2)**

F9 Words in Sch. 7B para. 9A substituted (with effect in accordance with art. 72(2) of the amending S.I.) by [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2001 \(S.I. 2001/3629\)](#), arts. 1(2)(a), **72(1)**

- 10 (1) In section 212, the following subsection shall be treated as inserted after subsection (5)—

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“(5A) In its application to an overseas life insurance company this section shall have effect as if the references in subsections (1) and (2) to assets were to such of the assets concerned as are —

- (a) section 11(2)(b) assets;
- (b) section 11(2)(c) assets; or
- (c) assets which by virtue of section 11B of the Taxes Act are attributed to the branch or agency in the United Kingdom through which the company carries on life assurance business;

and any expression used in this subsection to which a meaning is given by section 11A of the Taxes Act has that meaning.”

- (2) This paragraph shall apply in relation to accounting periods beginning after 31st December 1992.
- 11 (1) In section 213(4), the words “ in the United Kingdom through a branch or agency ” shall be treated as inserted after the words “[^{F10}long-term] business”.
- [In section 213(5), the reference to [^{F12}an insurance business transfer scheme] shall ^{F11}(1A) be treated as including a reference to any qualifying overseas transfer (within the meaning of paragraph 4A of Schedule 19AC to the Taxes Act).]
- (2) This paragraph shall apply in relation to events occurring in accounting periods beginning after 31st December 1992.

Textual Amendments

- F10** Word in Sch. 7B para. 11(1) substituted (1.12.2001) by [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2001 \(S.I. 2001/3629\)](#), arts. 1(2)(a), **73(2)(b)**
- F11** Sch. 7B para. 11(1A) inserted (with effect in accordance with s. 53(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), **Sch. 9 para. 6(3)**
- F12** Words in Sch. 7B para. 11(1A) substituted (with effect in accordance with art. 72(2) of the amending S.I.) by [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2001 \(S.I. 2001/3629\)](#), arts. 1(2)(a), **72(1)**

- 12 (1) In section 214, the following subsection shall be treated as inserted after subsection (11)—

“(12) In its application to an overseas life insurance company this section shall have effect as if —

- (a) the references in subsections (1), (2) and (6) to (10) to assets were to such of the assets concerned as are —
 - (i) section 11(2)(b) assets; or
 - (ii) section 11(2)(c) assets;
- (b) the references in subsections (1), (7) and (8) to liabilities were to such of the liabilities concerned as are attributable to the branch or agency in the United Kingdom through which the company carries on life assurance business;

[^{F13}(c) the reference in subsection (11) to a transfer of the whole or part of a company’s long term business in accordance with a scheme sanctioned by a court under Part I of Schedule 2C to the Insurance Companies Act 1982 were to be treated as including a reference to any qualifying overseas transfer (within the meaning of paragraph

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4A of Schedule 19AC to the Taxes Act), and the references in that subsection to the business to which the transfer relates were to be construed accordingly;]

and any expression used in this subsection to which a meaning is given by section 11A of the Taxes Act has that meaning.”

- (2) This paragraph shall apply where the accounting period mentioned in section 214(6) (d) begins after 31st December 1992.

Textual Amendments

F13 Words in Sch. 7B para. 12(1) inserted (with effect in accordance with s. 53(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 9 para. 6\(4\)](#)

- 13 (1) In subsection (4) of section 214A, in item G the words “ in the United Kingdom through a branch or agency ” shall be treated as inserted after the words “cessation of the carrying on”.
- (2) In subsection (6) of that section, the words “ in the United Kingdom through a branch or agency ” shall be treated as inserted after the words “long term business”.
- [In subsection (7) of that section, the reference to a transfer of the whole or part of
- ^{F14}(2A) a company’s long term business in accordance with a scheme sanctioned by a court under Part I of Schedule 2C to the Insurance Companies Act 1982 shall be treated as including a reference to any qualifying overseas transfer (within the meaning of paragraph 4A of Schedule 19AC to the Taxes Act); and the references in that subsection and in subsection (8) of that section to the business to which the transfer relates shall be construed accordingly.]
- (3) In subsection (11) of that section, the following words shall be treated as inserted at the end “ ; and, as it applies for the purposes of this section, the words “(with the modifications set out in subsection (12) of that section)” shall be treated as inserted after the words “section 214.” .

Textual Amendments

F14 Sch. 7B para. 13(2A) inserted (with effect in accordance with s. 53(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 9 para. 6\(5\)](#)

- 14 (1) In section 228(6)(b), the words “ section 11(2)(b), (c) or (d) of the Taxes Act ” shall be treated as substituted for the words “section 10(3)”.
- (2) This paragraph shall apply in relation to acquisitions made in chargeable periods beginning after 31st December 1992.]
- ^{F15}(1) In Schedule 7A, in sub-paragraph (3A) of paragraph 1, the words “section 11(2) (b), (c), (d) or (e) of the Taxes Act” shall be treated as substituted for the words “section 10(3)”.
- (2) In that paragraph, the following sub-paragraph shall be treated as inserted after sub-paragraph (4)—
- “(4A) Where—
- (a) an asset is held by an overseas life insurance company, and

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(b) section 440 of the Taxes Act applies at any time in relation to the asset,
the asset shall not be treated for the purposes of sub-paragraph (3A)(b) above as having become a chargeable asset at that time.”]

Textual Amendments

F15 Sch. 7B para. 15 added (with effect in accordance with Sch. 29 para. 39(7) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), **Sch. 29 para. 39(4)**

[^{F16}16 In Schedule 7AC, in paragraph 3(2)(c)(ii), the words “section 11(2)(b), (c) or (d) of the Taxes Act” shall be treated as substituted for the words “section 10(3)”.]

Textual Amendments

F16 Sch. 7B para. 16 added (24.7.2002) by [Finance Act 2002 \(c. 23\)](#), **Sch. 8 para. 4**

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