



Finance Act 1996

1996 CHAPTER 8

PART IV

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER VI

MISCELLANEOUS PROVISIONS

Insurance companies

167 Industrial assurance business.

(1) In section 432 of the Taxes Act 1988, subsection (2) (industrial assurance business treated as separate business for the purposes of Chapter I of Part XII) shall cease to have effect.

^{F1}(2)

^{F2}(3)

^{F3}(4)

(5) In Schedule 14 to the Taxes Act 1988 (ancillary provisions about relief in respect of life assurance premiums), in paragraph 8, at the beginning of sub-paragraph (4) (policy which is varied so as to increase benefits, etc. to be treated as issued after 13th March 1984) there shall be inserted “ Subject to sub-paragraph (8) below, ”.

(6) After sub-paragraph (7) of that paragraph there shall be inserted the following sub-paragraph—

“(8) Sub-paragraph (4) above does not apply in the case of a variation so as to increase the benefits secured, if the variation is made—

(a) on or after such day as the Board may by order appoint, and

Status: Point in time view as at 17/07/2012.

Changes to legislation: Finance Act 1996, Section 167 is up to date with all changes known to be in force on or before 11 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)

- (b) in consideration of a change in the method of payment of premiums from collection by a person collecting premiums from house to house to payment by a different method.”

(7) In Schedule 15 to the Taxes Act 1988 (qualifying policies)—

- (a) in paragraph 1(6) (calculation of amount included in premiums of whole life and term insurances in respect of their payment otherwise than annually), for “and if the policy is issued in the course of an industrial assurance business,” there shall be substituted “ and if the policy provides for payment otherwise than annually without providing for the amount of the premiums if they are paid annually, ”; and
- (b) in paragraph 2(2) (the equivalent calculation for endowment assurances), for “issued in the course of an industrial assurance business” there shall be substituted “ that provides for the payment of premiums otherwise than annually without providing for the amount of the premiums if they are paid annually, ”.

(8) After paragraph 8 of that Schedule there shall be inserted the following paragraph—

“8A (1) Paragraphs 7 and 8 above shall have effect in relation to any policy issued on or after the appointed day as if the references to the issue of a policy in the course of an industrial assurance business were references to the issue of a policy by any company in a case in which—

- (a) the company, before that day and in the course of such a business, issued any policy which was a qualifying policy by virtue of either of those paragraphs; and
- (b) the policies which on 28th November 1995 were being offered by the company as available to be issued included policies of the same description as the policy issued on or after the appointed day.

(2) In this paragraph “the appointed day” means such day as the Board may by order appoint.”

(9) In paragraph 18(3) of that Schedule (certain variations of a policy not to affect whether policy is a qualifying policy), after paragraph (b) there shall be inserted “or

- (c) any variation so as to increase the benefits secured or reduce the premiums payable which is effected—
 - (i) on or after such day as the Board may by order appoint, and
 - (ii) in consideration of a change in the method of payment of premiums from collection by a person collecting premiums from house to house to payment by a different method.”

^{F4}(10)

(11) Subsection (4) above shall come into force on such day as the Board may by order appoint.

(12) Subsection (7) above shall have effect in relation to policies issued on or after such day as the Board may by order appoint.

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Subordinate Legislation Made

P1 S. 167(11)(12) power fully exercised: 1.12.2001 appointed by [S.I. 2001/3643](#), **art. 2(a)**

Textual Amendments

F1 S. 167(2) repealed (with effect in accordance with s. 38 of the amending Act) by [Finance Act 2007 \(c. 11\)](#), **Sch. 27 Pt. 2(7)**

F2 S. 167(3) omitted (17.7.2012) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 247(g)(ii)**

F3 S. 167(4) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 3 Pt. 1** (with Sch. 2)

F4 S. 167(10) omitted (17.7.2012) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 247(g)(ii)**

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