



Corporation Tax Act 2009

2009 CHAPTER 4

PART 6

RELATIONSHIPS TREATED AS LOAN RELATIONSHIPS ETC

CHAPTER 11

INVESTMENT LIFE INSURANCE CONTRACTS

Old accounting period contracts

567 Gains on deemed surrenders to be brought into account on related transactions

- (1) Any gain which arose under Chapter 2 of Part 13 of ICTA (life policies etc) as a result of the deemed surrender (“the deemed gain”) is to be brought into account by the relevant company as a non-trading credit for the accounting period in which there is a related transaction (so far as not previously brought into account under this section).
- (2) But if the relevant company is still a party to the old contract immediately after the related transaction, only the relevant fraction of the deemed gain which would otherwise be brought into account under subsection (1) is to be so brought into account.
- (3) “The relevant fraction” is—

$$\frac{P}{\text{SAR}}$$

where—

Status: Point in time view as at 01/04/2009.

Changes to legislation: Corporation Tax Act 2009, Section 567 is up to date with all changes known to be in force on or before 27 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)

P is the amount payable as a result of the related transaction, and

SAR is the amount which would have been payable on a surrender of all the rights under the old contract immediately before the related transaction.

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Point in time view as at 01/04/2009.

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