
STATUTORY INSTRUMENTS

1995 No. 1730

The Insurance Companies (Taxation of Reinsurance Business) Regulations 1995

Exclusion of certain business from section 431C

- 11.** There shall be excluded from section 431C any reinsurance business where—
- (a) in relation to the reinsurance arrangement—
 - (i) the cedant company is a 90% subsidiary of the reinsurer, or the reinsurer is a 90% subsidiary of the cedant company, or each is a 90% subsidiary of another body corporate,
 - (ii) the cedant company is either resident in the United Kingdom or is an overseas life insurance company which, as respects the reinsurance arrangement or, as the case may be, the business being reinsured, is within the charge to corporation tax by virtue of section 11 of the Taxes Act, and
 - (iii) the business being reinsured is basic life assurance and general annuity business in the hands of the cedant company; or
 - (b) the business is of any of the descriptions specified in section 431D(1)(b) of the Taxes Act⁽¹⁾; or
 - (c) the business—
 - (i) is the reinsurance of the business of a company which is not resident in the United Kingdom,
 - (ii) is not business of any of the descriptions specified in section 431D(1)(b) of the Taxes Act, and
 - (iii) is linked business where the linked assets concerned consist wholly or substantially of land in the United Kingdom.

⁽¹⁾ Section 431D of the Taxes Act was inserted by paragraph 2 of Schedule 8 to the Finance Act 1995.