
STATUTORY INSTRUMENTS

1998 No. 1870

The Individual Savings Account Regulations 1998

Administration of tax in relation to accounts—supplementary

35.—(1) Nothing in these Regulations shall be taken to prejudice any powers conferred or duties imposed by or under any enactment in relation to the making of returns of income or gains, or for the recovery of tax, penalties or interest by means of an assessment or otherwise.

(2) Notwithstanding the provisions of these Regulations an account manager shall not be released from obligations under these Regulations in relation to an account except under conditions agreed in writing with and notified to that person by the Board.

(3) The like provisions as are contained in the Management Act⁽¹⁾ shall apply to any assessment under these Regulations as if it were an assessment to tax for the year in which, apart from these Regulations, the account investor would have been liable (by reason of his ownership of the investments).

(4) In the application of the like provisions as are contained in section 86 of the Management Act by virtue of paragraph (3) in relation to any sums due and payable by virtue of an assessment made on an account manager under these Regulations, the relevant date—

- (a) is the 1st January in the year for which the account investor would have been liable where the account manager has made an interim claim for a period falling within that year; and
- (b) in any other case, is the later of the following dates, that is to say—
 - (i) the 1st January in that year; or
 - (ii) the date of the making of the repayment by the Board following receipt of the annual claim for that year.

(5) The like provisions as are contained in section 97(1) of the Management Act shall apply as if—

- (a) there were inserted after the words “sections 95 and 96 above” the words “or the Individual Savings Account Regulations 1998”, and
- (b) there were inserted after the words “that they were” the words “or have become”.

(6) Where a chargeable event within the meaning given by Chapter II of Part XIII of the Taxes Act has happened in relation to a policy of life insurance which is an account investment held under an insurance component, section 552(1) of that Act shall not apply where the body by or with whom the policy was issued, entered into or effected, within the meaning of that section, is satisfied that no gain is to be treated as chargeable to tax on that event, by virtue of regulation 22(1)(a)(v).

(7) A termination of a policy of insurance pursuant to regulation 9(3)(b)(ii) shall be treated as the surrender in whole of the rights conferred by the policy, for the purposes of section 540(1)(a)(iii) of the Taxes Act⁽²⁾.

(8) Where there are in force relevant insurances within the meaning given by section 552A of the Taxes Act⁽³⁾ then, so far as they consist of policies of life insurance which are account investments

(1) 1970 c. 9.

(2) Section 540 was amended by paragraphs 1, 3 and 8 of Schedule 9 to the Finance Act 1989 (c. 26).

(3) Section 552A was inserted by section 87 of the Finance Act 1998.

held under an insurance component, they shall be disregarded in calculating the amount or value of gross premiums, for the purposes of subsection (4)(b) of that section.

(9) Any form prescribed by the Board for the purposes of these Regulations shall provide for a declaration that all the particulars given in the form are correctly stated to the best of the knowledge and belief of the person concerned.

(10) No obligation as to secrecy imposed by statute or otherwise shall preclude the Board from disclosing to an account manager or account investor that any provision of these Regulations has not been satisfied or that relief has been given or claimed in respect of investments under an account.