
STATUTORY INSTRUMENTS

2002 No. 443

TAXES

**The Overseas Insurers (Tax Representatives)
(Amendment) Regulations 2002**

<i>Made</i>	- - - -	<i>28th February 2002</i>
<i>Laid before the House of Commons</i>	- - - -	<i>1st March 2002</i>
<i>Coming into force</i>	- -	<i>6th April 2002</i>

The Commissioners of Inland Revenue in exercise of the powers conferred upon them by section 552A(7) and (9) of the Income and Corporation Taxes Act 1988⁽¹⁾ and section 133 of the Finance Act 1999⁽²⁾ hereby make the following Regulations:

Citation, commencement and effect

1. These Regulations, which may be cited as the Overseas Insurers (Tax Representatives) (Amendment) Regulations 2002, shall come into force on 6th April 2002 and shall have effect in respect of chargeable events occurring on and after that date.

Interpretation

2. In these Regulations “the principal Regulations” means the Overseas Insurers (Tax Representatives) Regulations 1999⁽³⁾ and a reference in regulations 4 to 9 below—

- (a) to a numbered regulation is a reference to the regulation of the principal Regulations which bears that number; and
- (b) to a numbered paragraph is a reference to the paragraph of the Schedule to the principal Regulations which bears that number.

Amendment of the principal Regulations

- 3. Amend the principal Regulations in accordance with regulations 4 to 9 below.
- 4. In regulation 2 (interpretation)—
 - (a) for the definition of “notice” substitute—

(1) 1988 c. 1. Section 552A was inserted by section 87 of the Finance Act 1998 (c. 36).

(2) 1999 c. 16.

(3) S.I. 1999/881: there is an amendment which is not relevant for the purposes of this instrument.

““notice” means notice given either in writing or in such form and by such means of electronic communications as may be approved by directions given by the Board, and “notify” and “notification” shall be construed accordingly;”;

- (b) omit the definitions of “section 552A” and “section 552B”(4);
 - (c) at the end of the definition of “the Taxes Act” for “1988.” substitute—
“1988, and a reference to a numbered section, without more, is a reference to the section of the Taxes Act bearing that number.”.
5. In regulation 10(2)(a) omit “of the Taxes Act”.
 6. In paragraph 1 in the definition of “gain”, omit “of the Taxes Act”.
 7. In paragraph 4(a) for “section 552 of the Taxes Act;” substitute “section 552 (as read with section 552ZA);”.
 8. For paragraph 8 substitute—
“8. For the purpose of this undertaking a relevant event is—
(a) a chargeable event within the meaning of Chapter 2 of Part 13 of the Taxes Act; or
(b) a chargeable event which is treated as occurring by reason of regulation 6(1) of the Personal Portfolio Bonds (Tax) Regulations 1999(5),
in respect of which an insurer is under an obligation to deliver a certificate under section 552.”.
 9. In paragraph 10—
(a) in sub-paragraph (e) for “of the Taxes Act” substitute “, apart from section 553(3)”; and
(b) in sub-paragraph (f) for “of the Taxes Act” substitute “, apart from section 553(8)”.

Transitional provision

10. For the purposes of regulation 12(1)(c) of the principal Regulations (release of overseas insurer from requirement to nominate a tax representative), an undertaking given by an overseas insurer before the coming into force of these Regulations, which complied with the terms of Parts II and III of the Schedule to the principal Regulations as then in force, shall have effect as if it were an undertaking in the terms required by the Schedule as amended by these Regulations.

Accordingly any agreement by the Board to release the insurer under regulation 12(1)(c) given before the coming into force of these Regulations shall continue to have effect until the Board give notice of their decision to withdraw from it.

*Nick Montagu
Dave Hartnett*

28th February 2002

Two of the Commissioners of Inland Revenue

(4) Section 552A and 552B were inserted by section 87 of the Finance Act 1998 (c. 36).
(5) S.I. 1999/1029, amended by S.I. 2001/2724.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Overseas Insurers (Tax Representatives) Regulations 1999 (S.I.1999/881) (“the principal Regulations”). Schedule 1 to the principal Regulations contains the form of an undertaking which an overseas insurer (within the meaning of section 552A of the Income and Corporation Taxes Act 1988 (c. 1)) (“the Taxes Act”) may give in order to be released (under regulation 12(1)(c) of the principal Regulations) from the requirement that it have a tax representative. These Regulations vary the terms of the undertaking the insurer is required to give in the light of changes made to the information requirements for UK insurers by Part 2 of Schedule 28 to the Finance Act 2001 (c. 9) (“Part 2”).

Regulation 1 provides for the citation, commencement and effect of the Regulations, and regulation 2 for interpretation.

Regulation 3 introduces the amendment to the principal Regulations.

Regulation 4 amends the definition of “notice” in regulation 2 of the principal Regulations to permit electronic delivery of a notice which is sent by an approved means of electronic communications. It also makes an amendment to provide that a reference to a numbered section is a reference to the section of the Taxes Act which is so numbered.

Regulations 5 and 6 make drafting changes consequent on the second of the amendments made by regulation 4.

Regulation 7 makes an amendment to paragraph 4(a) of the Schedule to the principal Regulations consequent on the restructuring of section 552 of the Taxes Act by Part 2.

Regulation 8 substitutes a new paragraph 8 of the Schedule to the principal Regulations. This makes it clear that the insurer is under an obligation to deliver a certificate under paragraph 9 or 10 of the Schedule, not only on the happening of a chargeable event within the meaning of Chapter 2 of Part 13 of the Taxes Act, but also when a chargeable event is treated as occurring by reason of regulation 6(1) of the Personal Portfolio Bonds (Tax) Regulations 1999 (S.I. 1999/1029).

Regulation 9 amends paragraph 10 of the Schedule to the principal Regulations to make it clear that the details, which the insurer is to give under sub-paragraphs (e) and (f) of that paragraph, are those which would apply disregarding subsections (3) and (8) respectively of section 553.

Regulation 10 makes transitional provision for an undertaking given by an overseas insurer before the coming into force of these Regulations. Its effect is to continue an undertaking notwithstanding the changes made to the Schedule to the principal Regulations by these Regulations.

A regulatory impact assessment has been prepared in respect of these Regulations. A copy has been placed in the library of each House of Parliament and may be found on the Inland Revenue website (www.inlandrevenue.gov.uk) or obtained from Revenue Policy, Business Tax, Room 5W5, 5th Floor, 22 Kingsway, London, WC2B 6NR.