
STATUTORY INSTRUMENTS

2007 No. 1031

**The Insurance Companies (Corporation
Tax Acts) (Amendment) Order 2007**

Amendment of the Income and Corporation Taxes Act 1988

9.—(1) Amend paragraph 4 of Schedule 19AA (overseas life assurance fund: determination of the amount of fund)⁽¹⁾ as follows.

(2) In sub-paragraph (1) at the end insert “This is subject to sub-paragraph (1A) below.”.

(3) After sub-paragraph (1) insert—

“(1A) If for the purposes of sub-paragraph (1) above A is below nil then the amount referred to in paragraph 3 above shall be nil.”.

(4) In sub-paragraph (2)—

(a) in paragraph (b), in the definition of A, after “period of account” insert “(but taking that amount to be nil if it would otherwise be below nil)”;

(b) at the end insert “This is subject to sub-paragraph (2A) below.”.

(5) After sub-paragraph (2) insert—

“(2A) If for the purposes of sub-paragraph (2) above B is nil then, in sub-paragraph (1) above, in B, the “appropriate part” of the company’s free assets amount, at the end of the period of account, or of any liabilities of its long-term insurance fund at that time which represents a money debt, means the part which bears to the whole such proportion as is just and reasonable.”.

(1) Schedule 19AA was inserted by paragraph 6 of Schedule 7 to the Finance Act 1990. Paragraph 4(2) was amended by article 3(3) of [S.I. 2000/2188](#), article 52(1)(k)(iii) and (2)(m)(ii) of [S.I. 2001/3629](#), and article 7(3) of [S.I. 2005/3465](#).