
STATUTORY INSTRUMENTS

2008 No. 381

**The Insurance Business Transfer Schemes
(Amendment of the Corporation Tax Acts) Order 2008**

Amendment of section 444ABD

16.—(1) Section 444ABD (transferor’s period of account including transfer) is amended as follows.

(2) In subsection (1)—

- (a) in paragraph (a), for “value” substitute “amount”,
- (b) in paragraph (b), after “line 32” insert “of Form 40”, and
- (c) at the end insert “in accordance with subsections (1A) and (1C) below”.

(3) After subsection (1) insert—

“(1A) Where the profits of the life assurance business of the transferor for a period of account are charged to tax in accordance with Case I of Schedule D by virtue of section 431G(3)(1), the appropriate fraction of the amount of the profits to which subsection (1) above applies is to be taken into account as profits of that period of account chargeable to tax in accordance with Case I of Schedule D (and not otherwise).

(1B) For the purposes of subsection (1A) above “the appropriate fraction” is the appropriate fraction for the purposes of section 432G(1)(2).

(1C) Where the profits of the life assurance business of the transferor for a period of account are charged to tax under the I minus E basis, the relevant fraction of the amount of the profits to which subsection (1) above applies is to be taken into account as profits of that period of account chargeable to tax under section 436A(3) (and not otherwise).

(1D) For the purposes of subsection (1C) above “the relevant fraction” is the relevant fraction for the purposes of section 432G(4).

(1E) Where the value mentioned in paragraph (b) of subsection (1) above exceeds the amount mentioned in paragraph (a) of that subsection, the amount of the excess is not to be taken into account as a loss of the transferor.”

(1) Section 431G was substituted by paragraph 4 of Schedule 8 to the Finance Act 2007.

(2) Section 432G was inserted by [S.I. 2004/3266](#) and substituted by paragraph 21 of Schedule 7 to the Finance Act 2007.

(3) Section 436A was inserted by paragraph 25 of Schedule 7, and amended by paragraph 12 of Schedule 9, to the Finance Act 2007.