

2013 No. 2244

CORPORATION TAX

The Insurance Companies (Amendment to Schedule 17 to the Finance Act 2012 (Transitional Provision)) Regulations 2013

Made - - - - *5th September 2013*
Laid before the House of Commons *9th September 2013*
Coming into force - - *30th September 2013*

The Treasury make the following Regulations in exercise of the powers conferred by paragraph 37 of Schedule 17 to the Finance Act 2012(a).

Citation, commencement and effect

1.—(1) These Regulations may be cited as the Insurance Companies (Amendment to Schedule 17 to the Finance Act 2012 (Transitional Provision)) Regulations 2013 and come into force on 30th September 2013.

(2) These Regulations have effect in relation to transfers taking place on or after that date.

Amendment to Schedule 17 to the Finance Act 2012

2.—(1) Schedule 17 to the Finance Act 2012 (transitional provision related to Part 2 of Act) is amended as follows.

(2) In paragraph 22 (disregard of amounts previously taken into account for tax purposes), at the end insert—

“(3) If the business mentioned in sub-paragraph (1) (or any part of that business) is transferred under an insurance business transfer scheme to another insurance company—

- (a) references in sub-paragraph (2) to the company include the transferee, and
- (b) references in sub-paragraph (2) to the amount include an amount that derives from the amount mentioned in sub-paragraph (1) and include so much of an amount as is taken into account in any calculation required under section 129(6)(a) or (b) and as is referable to the amount mentioned in sub-paragraph (1) (and, accordingly, section 129(7) is subject to the operation of this paragraph).”

Robert Goodwill
Anne Milton

5th September 2013

Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

Sections 55 to 149 of, and Schedules 17 to 19 to, the Finance Act 2012 established a new regime for the taxation of insurance companies. As from 1 January 2013 the starting point for the calculation of the trading profits of insurance companies has been the statutory accounts.

Schedule 17 to the Finance Act 2012 contains provisions which govern the transition from the old basis of taxation (based on the regulatory returns made to the Financial Services Authority) to the new basis. Paragraph 22 of that Schedule specifies amounts that have previously been taken into account for tax purposes are disregarded for any accounting period beginning on or after 1 January 2013. These Regulations amend paragraph 22 so that amounts derived from items that have been taken into account for tax purposes by a transferor company but which were disregarded under the transitional provisions as excluded items cannot be brought into account again by a transferee company following a transfer of insurance business.

A Tax Information and Impact Note covering this instrument was published on 6 December 2011 alongside draft clauses for the 2012 Finance Bill and is available on the HMRC website at <http://www.hmrc.gov.uk/thelibrary/tiins.htm>. It remains an accurate summary of the impacts that apply to this instrument.

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