



Finance Act 2012

2012 CHAPTER 14

PART 2

INSURANCE COMPANIES CARRYING ON LONG-TERM BUSINESS

CHAPTER 9

RELIEF FOR BLAGAB TRADE LOSSES ETC

Restrictions

126 Restrictions in respect of non-trading deficit

- (1) The amount of a BLAGAB trade loss for an accounting period of an insurance company that is available for relief under—
 - (a) section 37 of CTA 2010 (as applied by section 123), or
 - (b) Part 5 of CTA 2010 (group relief) (as applied by section 125),is to be reduced by the amount of any relevant non-trading deficit which the company has for the accounting period.
- (2) The reference to a relevant non-trading deficit for an accounting period is a reference to the non-trading deficit which the company would have under section 388 of CTA 2009 (loan relationships and derivative contracts) if credits and debits given in respect of the company's creditor relationships (within the meaning of Part 5 of that Act) were ignored.

127 No relief against policyholders' share of I - E profit

- (1) This section applies in the case of an insurance company carrying on basic life assurance and general annuity business.

Status: This is the original version (as it was originally enacted).

- (2) None of the following reliefs are to be given against the policyholders' share of any I - E profit of the company for any accounting period (as determined for the purposes of section 102).
- (3) The reliefs in question are—
- (a) relief under section 37 of CTA 2010 (including as applied by section 123),
 - (b) relief under Chapter 2 or 4 of Part 4 of CTA 2010 (loss relief),
 - (c) relief under Part 5 of CTA 2010 (group relief) (including as applied by section 125),
 - (d) relief in respect of any qualifying charitable donation,
 - (e) relief in respect of any amount representing a non-trading deficit on the company's loan relationships calculated otherwise than by reference to debits and credits referable, in accordance with Chapter 4, to its basic life assurance and general annuity business.
- (4) If the company's basic life assurance and general annuity business is mutual business, subsection (3)(d) does not apply.