



Finance Act 2012

2012 CHAPTER 14

PART 3

FRIENDLY SOCIETIES CARRYING ON LONG-TERM BUSINESS

Exempt BLAGAB or eligible PHI business: directions to old societies

163 Directions given to old societies

- (1) HMRC Commissioners may give a direction under this section to an old society.
- (2) The Commissioners may give the direction if—
 - (a) the society begins to carry on exempt BLAGAB or eligible PHI business or, in their opinion, begins to carry on exempt BLAGAB or eligible PHI business on an enlarged scale or of a new character, and
 - (b) it appears to them, having regard to the restrictions placed on qualifying policies issued by friendly societies other than old societies by paragraphs 3(1)(b) and 4(3)(b) of Schedule 15 to ICTA, that for the protection of the revenue it is expedient to give the direction.
- (3) The direction is that (and has the effect that) the society is to be treated for the purposes of this Part and Schedule 15 to ICTA as a friendly society other than an old society with respect to business carried on after the date of the direction.
- (4) The society may appeal against the direction on the ground that—
 - (a) it has not begun to carry on business as mentioned in subsection (2)(a), or
 - (b) the direction is not necessary for the protection of the revenue.
- (5) The appeal must be made within 30 days of the date on which the direction is given.
- (6) If a registered friendly society in respect of which a direction is in force under this section becomes an incorporated friendly society, the direction continues to have effect, so that for the purposes of this Part and Schedule 15 to ICTA it is treated as a friendly society other than an old society.