

SCHEDULES

SCHEDULE 3

Section 21.

ADDITIONAL PROVISIONS WITH RESPECT TO LEVIES ON AUTHORISED INSURANCE COMPANIES

Restrictions on the imposition of the levies

- 1 No levy may be imposed by the Board under section 21 above before the beginning of the financial year ending with 31st March 1977.
- 2 (1) The amounts required to be paid by any company under general business levies imposed by the Board in any financial year shall not exceed one per cent, of any income of the company for the year ending last before the beginning of that financial year which is income liable to the general business levy.
(2) The amounts required to be paid by any company under long term business levies imposed by the Board in any financial year shall not exceed one per cent, of any income of the company for the year ending last before the beginning of that financial year which is income liable to the long term business levy.
- 3 The Board may not impose a levy for the purpose of financing expenditure of any description unless—
 - (a) the expenditure in question has already been incurred by the Board; or
 - (b) it appears to the Board that the expenditure will be incurred within twelve months of the imposition of the levy.

Statements of premium income

- 4 (1) Every authorised insurance company shall send to the Secretary of State before 1st March 1976, and thereafter before 1st March in any subsequent year, a statement of any income of the company for the previous year which is income liable to the general business levy.
(2) Every authorised insurance company shall send to the Secretary of State before 1st March 1976, and thereafter before 1st March in any subsequent year, a statement of any income of the company for the previous year which is income liable to the long term business levy.
(3) Where an authorised insurance company is required under this paragraph to send a statement to the Secretary of State in respect of income of both descriptions mentioned in sub-paragraphs (1) and (2) above it shall send a separate statement in respect of income of each description.
- 5 (1) Any person who causes or permits to be included in a statement sent to the Secretary of State under paragraph 4 above any information which he knows to be false in a material particular or recklessly causes or permits to be so included any information which is false in a material particular shall be guilty of an offence and liable—

Status: This is the original version (as it was originally enacted).

- (a) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine, or to both ;
 - (b) on summary conviction, to a fine not exceeding £400.
- (2) Any insurance company which makes default in complying with paragraph 4 above shall be guilty of an offence and liable, on summary conviction, to a fine not exceeding £400.
- (3) Sections 28(1)(b)(i) and 46(1)(a) of the Insurance Companies Act 1974 (failure to satisfy an obligation under that Act to be a ground for the exercise by the Secretary of State of certain powers in relation to an insurance company) shall have effect in relation to the obligation imposed on an insurance company by paragraph 4 above as they have effect in relation to obligations imposed on an insurance company under that Act.
- (4) Sections 79 to 82 of the Insurance Companies Act 1974 shall apply in relation to an offence committed or alleged to have been committed under this paragraph as they apply in relation to an offence committed or alleged to have been committed under that Act.
- (5) In the application of sub-paragraph (3) above to Northern Ireland—
- (a) for the references to sections 28(1)(b)(i) and 46(1)(a) of the Insurance Companies Act 1974 there shall be substituted respectively references to section 12(1)(b)(i) of the Insurance Companies Amendment Act 1973 and section 42(2)(b) of the Insurance Companies Act (Northern Ireland) 1968 ;
 - (b) the words " that Act", in both places where they occur, shall be construed as referring to the Act in which the provision in question is included ; and
 - (c) for the reference to the Secretary of State there shall be substituted a reference to the Department of Commerce ;
- and in the application of sub-paragraph (4) above to Northern Ireland, for the reference to sections 79 to 82 of the said Act of 1974 there shall be substituted a reference to sections 63 to 66 of the said Act of 1968.

Declaration and enforcement of levies

- 6 (1) Subject to paragraphs 1 to 3 above, levies may be imposed by the Board under section 21 above at such times and at such rates in relation to income of authorised insurance companies liable to the general business levy or to the long term business levy as the Board may determine.
- (2) On imposing a levy under section 21 above, the Board shall send notice of the rate of levy to every authorised insurance company which may in the opinion of the Board have had income liable to the levy for the year ending last before the financial year in which the levy is imposed.
- (3) A notice under sub-paragraph (2) above shall indicate—
- (a) whether the levy is a general business levy or a long term business levy;
 - (b) what description of income is income liable to the levy in question ; and
 - (c) the purpose for which the levy is being imposed ;
- and shall specify the rate of the levy as a percentage of the income liable to the levy.
- (4) A notice required to be sent by sub-paragraph (2) above may be sent by post, and a letter containing such a notice shall be deemed to be properly addressed if it is

addressed to the insurance company to which it is sent at its last known place of business in the United Kingdom.

- 7 (1) An insurance company to which notice of the rate of a levy is sent under paragraph 6 above shall pay to the Board within one month of the date of the notice the percentage specified in the notice of any income of the company for the year ending last before the financial year in which the levy is imposed which is income liable to the levy in question.
- (2) Any sum due to the Board in respect of a levy imposed under section 21 above shall be recoverable in any court of competent jurisdiction.