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**Changes to legislation:** *Income and Corporation Taxes Act 1988, Paragraph 3 is up to date with all changes known to be in force on or before 05 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

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## SCHEDULES

### SCHEDULE 14

#### PROVISIONS ANCILLARY TO SECTION 266

##### PART I

##### MODIFICATION OF SECTION 266 IN CERTAIN CASES

###### *Premiums payable to friendly societies and industrial assurance companies*

- 3 (1) <sup>M1</sup> Where a policy is issued or a contract is made by a [<sup>F1</sup>friendly society] or a policy to which paragraph 2 above applies is issued by an industrial assurance company, section 266(4), (5) and (8) shall apply in relation to premiums payable under the policy or contract subject to the following provisions of this paragraph.
- (2) References to the deductions authorised under section 266(5) shall be construed as including references to any amount retained by or refunded to the person paying the premium under any scheme made by the society or company in accordance with regulations made under this paragraph.
- (3) The appropriate authority may make regulations authorising—
- (a) the adoption by [<sup>F1</sup>friendly societies] and industrial assurance companies of any prescribed scheme for securing that in the case of policies or contracts to which the scheme applies amounts equal to [<sup>F2</sup>12.5 per cent.] of the premiums payable are retained by or refunded to the person paying the premiums or that, in the case of such policies or contracts issued or made before 6th April 1979, the amounts expressed as the amounts of the premiums payable are treated as amounts arrived at by deducting [<sup>F2</sup>12.5 per cent.] from the amounts payable and that the amounts of the capital sums assured or guaranteed are treated as correspondingly increased; or
  - (b) the adoption by any such society or company of any special scheme for that purpose which may, in such circumstances as may be prescribed, be approved by the appropriate authority.
- (4) Increases treated as made in pursuance of regulations under this paragraph shall not be treated as variations of a policy or contract and shall be disregarded for the purposes of paragraph 2(3) above, sections 268(6), 460, 461(1) and 464 of, and paragraph 7 of Schedule 15 to, this Act <sup>F3</sup> . . . .
- (5) The regulations may include such adaptations and modifications of the enactments relating to friendly societies or industrial assurance companies and such other incidental and supplementary provisions as appear to the appropriate authority necessary or expedient for the purpose of enabling such societies or companies to adopt the schemes authorised by the regulations.

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- (6) Subsections (4), (5) and (7) to (11) of section 6 of the <sup>M2</sup>Decimal Currency Act 1969 shall, with the necessary modifications, apply in relation to regulations made under this paragraph.

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**Textual Amendments**

- F1** Words in Sch. 14 para. 3(1)(3)(a) substituted (19.2.1993) by Finance (No. 2) Act 1992 (c. 48), s. 56, **Sch. 9 para. 18(2)(3)**; S.I. 1993/236, **art.2**
- F2** Words in Sch. 14 para. 3(3)(a) substituted (6.4.1989) by Finance Act 1988 (c. 39), **s. 29**
- F3** Words in Sch. 14 para. 3(4) repealed (with effect in accordance with s. 173 of the repealing Act) by Finance Act 1989 (c. 26), **Sch. 17 Pt. 9**, Note
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**Marginal Citations**

- M1** Source—1976 Sch.4 13; 1978 Sch.3 7; 1980 s.29(2)(c); 1987 Sch.15 9
- M2** 1969 c.19.

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act Tax Acts: power to modify conferred by [2004 c. 25 s. 18](#)
- Act Taxes Acts modified by 1970 c. 9, Sch. A1 para. 10(7) (as inserted) by [2017 c. 32 s. 60\(3\)](#)
- Act Taxes Acts modified by 1970 c. 9, s. 8(7) (as inserted) by [2017 c. 32 Sch. 14 para. 3\(15\)](#)
- Act Taxes Acts modified by 1970 c. 9, s. 8A(7) (as inserted) by [2017 c. 32 Sch. 14 para. 4\(12\)](#)
- Act applied (with modifications) by [S.I. 2010/875 reg. 16Sch. 2](#) (This amendment not applied to legislation.gov.uk. S.I. 2010/875 was revoked (27.8.2010) by SI 2010/1906, reg. 2 without having come into force)

**Whole provisions yet to be inserted into this Act (including any effects on those provisions):**

- s. 109A(4B) inserted by [2005 c. 7 Sch. 4 para. 6\(3\)](#) (This amendment not applied to legislation.gov.uk. The amending provision (2005 c. 7, Sch. 4 para. 6) repealed retrospectively by 2005 c. 22, Sch. 6 para. 4(1)(6))
- Sch. 19AB para. 5(5)(a)(b) words substituted by [S.I. 2001/3629 art. 52\(2\)\(n\)](#) (This amendment not applied to legislation.gov.uk. The words to be substituted do not occur in Sch. 19AB para. 5)