

SCHEDULES

SCHEDULE 28

LIFE POLICIES, LIFE ANNUITIES AND CAPITAL REDEMPTION POLICIES

PART 1

ASSIGNMENT OR SURRENDER OF PART OF THE RIGHTS

Method of charging gain to tax

- 11 (1) Section 547 is amended as follows.
- (2) In subsection (1) (which makes provision for charging tax in cases where under section 541, 543 or 545 a gain is treated as arising) for “or 545” substitute “, 545 or 546C”.
- (3) After subsection (1) insert—
- “(1A) In their application in relation to a gain which is treated as arising by virtue of section 546C(7)(b), subsection (1) above and subsections (9) to (11) below are subject to section 546C(8).”.
- (4) For subsection (4) (application of section in relation to an assignment of a share only in any rights) substitute—
- “(4) References in subsection (1) above to the rights conferred by a policy or contract are, in the case of an assignment or surrender of only a part of or share in any rights, references to that part or share.”.
- (5) In subsection (5A) (gains treated under section 543 as arising in connection with certain life annuity contracts) after “section 543” insert “or 546C(7)(b)”.
- (6) In subsection (7) (gains treated as arising under section 541 or 543 in connection with certain friendly society policies) for “or 543” substitute “, 543 or 546C(7)(b)”.