Finance Act 2006

2006 CHAPTER 25

PART 3

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 9

MISCELLANEOUS PROVISIONS

Insurance companies and policyholders

86 Insurance companies

Schedule 11 (which makes provision about insurance companies) has effect.

87 Qualifying policies: altering method for calculating benefits

(1) Schedule 15 to ICTA (provisions for determining whether an insurance policy is a "qualifying policy" for the purposes of the Tax Acts) is amended as follows.

(2) In paragraph 18 (variations), in sub-paragraph (3) (paragraph does not apply by reason of certain variations), at the end insert ", or

(d) any variation which alters the method for calculating the benefits secured by the policy.".

(3) In paragraph 22 (certificates from body issuing policy), in sub-paragraph (3) (sub-paragraph (2) does not apply by reason of certain variations), at the end insert "; or

(c) any variation which alters the method for calculating the benefits secured by the policy.".

(4) In the case of a variation effected as part of, or in connection with, an insurance business transfer scheme, the amendments made by this section are deemed always to have had effect.

(5) In any other case, the amendments made by this section have effect in relation to variations effected on or after 7th October 2005.

(6) In this section an "insurance business transfer scheme" means—

(a) a scheme falling within section 105 of the Financial Services and Markets Act 2000 (c. 8),

(b) a scheme sanctioned by a court under Part 1 of Schedule 2C to the Insurance Companies Act 1982 (c. 50), or

(c) a scheme sanctioned by a court under section 49 of that Act or under any earlier enactment corresponding to that section,

and for the purposes of this subsection any reference to an enactment is a reference to the enactment as it had effect from time to time.