



Finance Act 2007

2007 CHAPTER 11

PART 3

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

Insurance and friendly societies

45 Tax exempt business of friendly societies

(1) Section 462 of ICTA (conditions for tax exempt business) is amended as follows.

(2) For subsection (1) substitute—

“(1) Subject to subsections (2) to (4) below, section 460 does not afford any exemption from corporation tax in relation to so much of the profits arising to a friendly society or insurance company from any business as is attributable to a policy which—

- (a) is not a qualifying policy (by virtue of sub-paragraph (2) of paragraph 6 of Schedule 15) and is not an excluded policy, and
- (b) would not be a qualifying policy (by virtue of that sub-paragraph) if all excluded policies were left out of account.

(1A) For the purposes of subsection (1) above a policy is an excluded policy if—

- (a) it is a policy held otherwise than with the friendly society or insurance company, or
- (b) the person who has the contract effecting the policy acquired the rights under it on an assignment (or, in Scotland, assignation) otherwise than for money or money's worth.”

(3) In subsection (2), for “under section 460(1) for profits arising from any part of a life or endowment” substitute “in relation to profits arising from any part of a ”.

^{F1}(4)

^{F2}(5)

Changes to legislation: Finance Act 2007, Section 45 is up to date with all changes known to be in force on or before 15 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](#)

- (6) The amendments made by this section are deemed to have come into force on 1st January 2007.

Textual Amendments

- F1** S. 45(4) omitted (21.7.2008) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 18 para. 5\(3\)\(c\)](#)
F2 S. 45(5) omitted (21.7.2008) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 18 para. 5\(3\)\(c\)](#)

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

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

- s. 993 modified by [2016 c. 24 s. 118\(2\)](#)
- Sch. 24 para. 12(5)(za) inserted by [2015 c. 11 Sch. 20 para. 6\(a\)](#)
- Sch. 24 para. 21A(A1) inserted by [2015 c. 11 Sch. 20 para. 7\(2\)](#)
- Sch. 24 para. 4A(A1)(1) substituted for Sch. 24 para. 4A(1) by [2015 c. 11 Sch. 20 para. 3\(2\)](#)