

SCHEDULES

SCHEDULE 17

INSURANCE COMPANIES ETC

Deposit back arrangements

- 9 (1) In paragraph 3A of Schedule 11 to FA 1996 (apportionments), after sub-paragraph (2) insert—
- “(2A) If any debits or credits relate to liabilities arising from deposit back arrangements, they are (subject to sub-paragraph (2B)) referable to the category of long-term business which comprises the business reinsured by the arrangements under which the deposit back arrangements are made.
- (2B) If the business reinsured is not all of the same category of long-term business, the debits and credits for any period of account are referable to the categories of business in the same proportions as the mean of the proportions at the beginning and end of the period of account of the liabilities reinsured by the arrangements which are liabilities of the categories of business.”;
- and, in sub-paragraph (4), after “(2)” insert “, (2A)”.
- (2) In section 431(2) of ICTA (interpretative provisions relating to insurance companies), after the definitions of “contract of insurance” and “contract of long-term insurance” insert—
- ““deposit back arrangements” means arrangements by which an amount is deposited by the reinsurer under a contract of reinsurance with the cedant;”;
- and, in the definition of “liabilities”, omit the words following paragraph (b).
- (3) The amendments made by this paragraph have effect in relation to periods of account beginning on or after 1 January 2008 and ending on or after 12 March 2008.