



Finance Act 2012

2012 CHAPTER 14

PART 2

INSURANCE COMPANIES CARRYING ON LONG-TERM BUSINESS

CHAPTER 1

INTRODUCTORY

Meaning of contract of “insurance” or “long-term insurance” and “insurance company”

64 Meaning of “contract of insurance” and “contract of long-term insurance”

For the purposes of this Part—

“contract of insurance” has the meaning given by article 3(1) of the FISMA (Regulated Activities) Order 2001, and

“contract of long-term insurance” means a contract which falls within Part 2 of Schedule 1 to that Order.

65 Meaning of “insurance company”

(1) This section defines for the purposes of this Part what is meant by an “insurance company”.

(2) A person who carries on the activity of effecting or carrying out contracts of insurance is an “insurance company” if—

(a) the person has permission under Part 4 of FISMA 2000 to carry on that activity,

^{F1}(b)

^{F2}(c)

(3) The above definition is subject to the following qualifications—

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2012, Cross Heading: Meaning of contract of “insurance” or “long-term insurance” and “insurance company”. (See end of Document for details)

- (a) a friendly society within the meaning of Part 3 is not an insurance company, and
 - (b) an insurance special purpose vehicle (see section 139) is an insurance company only if, in addition to falling within subsection (2)(a), ^{F3}... it is a BLAGAB group re-insurer.
- (4) A person is a “BLAGAB group re-insurer” if for an accounting period—
- (a) the person carries on basic life assurance and general annuity business,
 - (b) it is not the case that substantially all of the person's long-term business is long-term business other than basic life assurance and general annuity business, and
 - (c) all of its life assurance business is re-insurance business of a description which is excluded business for the purposes of section 57(2)(e).

Textual Amendments

- F1** S. 65(2)(b) omitted (31.12.2020) by virtue of [The Taxes \(Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/689\)](#), regs. 1, **21(2)(a)** (with regs. 39-41); 2020 c. 1, Sch. 5 para. 1(1)
- F2** S. 65(2)(c) omitted (31.12.2020) by virtue of [The Taxes \(Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/689\)](#), regs. 1, **21(2)(a)** (with regs. 39-41); 2020 c. 1, Sch. 5 para. 1(1)
- F3** Words in s. 65(3)(b) omitted (31.12.2020) by virtue of [The Taxes \(Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/689\)](#), regs. 1, **21(2)(b)** (with regs. 39-41); 2020 c. 1, Sch. 5 para. 1(1)

Modifications etc. (not altering text)

- C1** S. 65 modified (with effect in accordance with [Sch. 3 paras. 30-36](#) of the amending Act) by 2010 c. 8, [s. 94\(3\)](#) (as inserted by [Finance \(No. 2\) Act 2023 \(c. 30\)](#), [Sch. 3 para. 28\(1\)](#))

Changes to legislation:

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Meaning of contract of “insurance” or “long-term insurance” and “insurance company”.