



# Finance Act 2012

## 2012 CHAPTER 14

### PART 3

#### FRIENDLY SOCIETIES CARRYING ON LONG-TERM BUSINESS

##### *Exemption for other business*

#### **167 Transfers between friendly societies**

- (1) If—
  - (a) at any time a friendly society acquires by way of transfer of engagements or amalgamation from another friendly society any relevant other business, and
  - (b) immediately before that time the transferor was exempt from corporation tax on profits arising from that business as a result of section 164 or 165,the transferee is exempt from corporation tax on its profits arising from the relevant other business so far as relating to contracts made before that time.
- (2) If during an accounting period of the transferee there is an increase in the scale of benefits which it undertakes to provide in the course of carrying on relevant other business relating to contracts made before that time, the transferee is not exempt from corporation tax as a result of this section for that or any subsequent accounting period.
- (3) If—
  - (a) at any time a friendly society acquires by way of transfer of engagements or amalgamation from another friendly society any relevant other business, and
  - (b) immediately before that time the transferor was not exempt from corporation tax on profits arising from that business as a result of section 164 or 165,the transferee is not exempt from corporation tax on its profits arising from the relevant other business so far as relating to contracts made before that time.
- (4) The Treasury may by regulations provide that, where any part of the business of a friendly society is, or is not, exempt from corporation tax as a result of this section, the

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*Status: This is the original version (as it was originally enacted).*

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Corporation Tax Acts have effect subject to such exceptions or other modifications as they consider appropriate.

- (5) The regulations may make provision having retrospective effect.
- (6) The regulations may—
  - (a) make different provision for different cases or circumstances, and
  - (b) contain incidental, supplementary, consequential, transitional, transitory or saving provision.
- (7) Nothing in this section applies in relation to transfers or amalgamations taking place before 21 July 2008.