
STATUTORY INSTRUMENTS

1997 No. 1157

INSURANCE PREMIUM TAX

The Insurance Premium Tax (Amendment) Regulations 1997

| | | |
|---|---------|-----------------------|
| <i>Made</i> | - - - - | <i>4th April 1997</i> |
| <i>Laid before the House of Commons</i> | - - - - | <i>4th April 1997</i> |
| <i>Coming into force</i> | - - | <i>1st May 1997</i> |

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by sections 53A(2), 53AA(8), 55(1) and (3) to (8), 57(15), 58(2), and 62(5) of, and paragraphs 1(1) to (3) of Schedule 7 to, the Finance Act 1994⁽¹⁾ hereby make the following Regulations:

1. These Regulations may be cited as the Insurance Premium Tax (Amendment) Regulations 1997 and shall come into force on 1st May 1997.

2. In these Regulations “the principal Regulations” means the Insurance Premium Tax Regulations 1994⁽²⁾.

3. Regulation 2(1) (interpretation) of the principal Regulations shall be amended as follows—
- (a) after “section 53” in the definition of “accounting period” there shall be inserted “or 53AA”;
 - (b) after “section 53” in the definition of “registered person” there shall be inserted “or 53AA”;
 - and
 - (c) after the definition of return there shall be inserted—

““taxable intermediary’s fees” means fees which, to the extent of any payment in respect of them, are chargeable to tax by virtue of section 52A of the Finance Act 1994⁽³⁾ and references in these regulations to “fee” or “fees” shall be construed accordingly;”.

4. After regulation 4 (notification of liability to register) of the principal Regulations there shall be inserted—

(1) 1994 c. 9; section 73(1) defines “the Commissioners” as meaning the Commissioners of Customs and Excise and section 74(2) provides that any power to make regulations under Part III of the Act shall be exercisable by the Commissioners; section 53A was inserted by paragraph 4 of Schedule 5 to the Finance Act 1995 (c. 4) and amended by section 27 of the Finance Act 1997 (c. 16); section 53AA was inserted by section 26 of the Finance Act 1997 and sections 55, 57 and 62 were amended by section 27 of that Act.

(2) S.I.1994/1774; amended by S.I. 1995/1587, 1996/2099.

(3) 1994 c. 9; section 52A was inserted by section 25 of the Finance Act 1997 (c. 16).

“Notification of liability to register—taxable intermediaries

4A.—(1) A person who is required by section 53AA(3) of the Act to notify the Commissioners of the facts there mentioned shall do so on the form numbered 1 in the Schedule to these Regulations.

(2) Where the notification referred to in this regulation is made by a partnership, it shall include the particulars set out on the form numbered 2 in the Schedule to these Regulations.

(3) The notification referred to in this regulation shall be made within thirty days of the earliest date after 30th April 1997 on which the person either forms or continues to have the intention to charge taxable intermediary’s fees in the course of any business of his.”

5. Regulation 5 (changes in particulars) of the principal Regulations shall be amended as follows—

- (a) after “regulation 4” in paragraph (1) insert “or 4A” and for the words “of that regulation” there shall be substituted “of regulation 4 or 4A above”;
- (b) for “or any insurance business carried on by him” in paragraph (4) there shall be substituted “, any insurance business carried on by him or any business in the course of which he charges taxable intermediary’s fees”; and
- (c) after “section 53” in paragraph (5) insert “or 53AA”.

6. After regulation 6 (notification of liability to be de-registered) of the principal Regulations there shall be inserted—

“Notification of liability to be de-registered—taxable intermediaries

6A A person who is required by section 53AA(4) of the Act to notify the Commissioners of the facts there mentioned shall, within thirty days of his having ceased to have the intention of charging taxable intermediary’s fees, give notice to the Commissioners in writing—

- (a) of the date on which he ceased to charge taxable intermediary’s fees in the course of any business of his; and
- (b) if different, the date on which the last such fee was received.”

7. In regulation 11(1) (Death, bankruptcy or incapacity of registerable persons) of the principal regulations after “of his” there shall be inserted “or any business in the course of which he charged taxable intermediary’s fees”.

8. In regulation 16(1)(d) (records) of the principal Regulations after “premium” insert “or fee”.

9. In Regulation 17 (scope) of the principal Regulations for paragraphs (1) and (2) there shall be substituted—

“**17.**—(1) This Part applies where—

- (a) an insurer has paid tax and all or part of the premium on which the tax was charged is repaid; or
- (b) a taxable intermediary has paid tax and all or part of the fee on which the tax was charged is repaid.

(2) Where—

- (a) an insurer receives a premium in an accounting period and repays that premium or part of it in that accounting period; or
- (b) a taxable intermediary receives a fee in an accounting period and repays that fee or part of it in that accounting period,

this Part shall apply as if the tax on the premium or fee (as the case may be) had already been paid by him.”.

10. Regulation 18 (claims in returns) of the principal Regulations shall be amended as follows—

(a) in paragraph (1)—

(i) after “insurer” insert “or, as the case may be, taxable intermediary”, and

(ii) after “premium” insert “or fee”;

(b) in paragraph (2)—

(i) after “insurer” insert “or taxable intermediary”, and

(ii) after “premium” insert “or fee”;

(c) in paragraph (3) for “premium or part” there shall be substituted “premium or fee, or part of such premium or fee”.

11. Regulation 19 (payments in respect of credit) of the principal Regulations shall be amended as follows—

(a) after “insurer” in paragraph (1) insert “or taxable intermediary”;

(b) in paragraph (2)—

(i) after “insurer” insert “or taxable intermediary”, and

(ii) after “53(5)” insert “or 53AA(6) of the Act”;

(c) in paragraph (3)—

(i) after “insurer” insert “or taxable intermediary”, and

(ii) after “premium” in sub-paragraph (c) for “premium or part” there shall be substituted “premium or fee, or part of such premium or fee”;

(d) after “insurer” in paragraph (4) insert “or taxable intermediary as the case may be,”; and

(e) after “insurer” in paragraph (5) insert “or taxable intermediary”.

12. Regulation 29 (notification by tax representatives in certain cases) of the principal Regulations shall be amended as follows—

(a) in paragraph (1)—

(i) after “insurer's” insert “or taxable intermediary's”, and

(ii) after “insurer” insert “or taxable intermediary”;

(b) in paragraph (2) after “insurer” insert “or taxable intermediary”; and

(c) in paragraph (3)(a) after “insurer” insert “or, as the case may be taxable intermediary,”.

13. In regulation 30 (registration of tax representatives) of the principal Regulations after “insurer” in paragraph (1) insert “or taxable intermediary”.

14. In regulation 31 (liability of tax representatives to notify) of the principal Regulations after “insurer” wherever occurring insert “or taxable intermediary” and after “insurer's” insert “or taxable intermediary's”.

15. For forms 1, 4, 5 and 6 in Schedule 1 to the principal Regulations there shall be substituted respectively the correspondingly numbered forms in the Schedule to these Regulations.

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New King's Beam House 22 Upper Ground
London SE1 9PJ
4th April 1997

Anthony Sawyer
Commissioner of Customs and Excise

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SCHEDULE

Form 1

Regulation 16

Insurance Premium Tax Application for Registration

Before you start, please read the Notice "Registering for IPT". Write clearly in ink and use CAPITAL LETTERS.

1 Please give your full name and your business address.

| | | | |
|-------------------|-----------|---------|--|
| Name: | | | |
| Business address: | | | |
| | Postcode: | | |
| Tel no: | | Fax no: | |

2 Please give your trading name if it is different from the name given at **1**

Only complete **3** if you do not have a business establishment in the United Kingdom (UK). Otherwise, go straight to **4**

3 (a) Do you have a general representative in the UK who meets the requirements of Section 10 of the Insurance Companies Act 1982?

◆ These requirements are explained in the Notice "Registering for IPT".

(b) Will your general representative be acting as your tax representative?

◆ If you have a general representative, that person will be your tax representative unless you nominate some other person.

(c) Do you wish to use this form to nominate a person to act as your tax representative?

◆ If you already have a UK agent, you may wish to nominate that person to act as your tax representative.

(d) Please give the name and address of either the person you wish to nominate as your tax representative or the name and address of your general representative.

◆ Remember to obtain written agreement from this person that they are prepared to act as your tax representative.

Please tick

Yes Go to 3(b).
No Go to 3(c).

Please tick

Yes Give details at 3(d) below.
No Go to 3(c).

Please tick

Yes Give details at 3(d) below.
No Go to 4.

| | | | |
|----------|-----------|---------|--|
| Name: | | | |
| Address: | | | |
| | Postcode: | | |
| Tel no: | | Fax no: | |

4 What is the legal status of your business?

◆ If you are a partnership, please remember to complete Form IPT 2 as well as this form.

Please tick

Sole proprietor Partnership
Limited Company Give details from your certificate of incorporation:
Certificate no. Date of certificate
Unincorporated Body Specify type of body (other than partnership)
Lloyd's syndicate

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5 Do you wish to use this form to notify that you are going to use the special accounting scheme from the first of your accounting periods? (Use of the scheme is mandatory for a Lloyd's syndicate wishing to elect Lloyd's to act on its behalf).

Please tick

Yes No

Only complete **6** if you are a Lloyd's syndicate. Otherwise go straight to **7**

6 (a) Please give your syndicate number.

(b) Are you electing that Lloyd's may act for you from the first of your accounting periods?

Please tick

Yes No

(c) Are all your premiums processed through Lloyd's Policy Signing Office (LPSO)?

Please tick

Yes Go to 6(e).
No Go to 6(d).

(d) What percentage (%) of your premium income is not processed through LPSO?

%

(e) Who will be responsible for submitting IPT returns?

Please tick

Lloyd's
Managing Agent

(f) Please give your managing agent's name and address.

Name:
Address:
Postcode:
Tel no: Fax no:

(g) Are you involved in Mirror Syndicate activity?

Please tick

Yes No

(h) Are you reinsured to close?

Please tick

Yes Give the number of the syndicate which has taken over your liability.
No

7 Are you in run off?

Please tick

Yes No

8 Please tick the box that best describes your business.

Please tick

UK Insurer Branch of non-UK Insurer
Captive Representative Office
Other Taxable Intermediary
Please give details:

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9 (a) Are you applying to register because a business has been transferred to you as a going concern?

Please tick

Yes Give details below:
 Date of transfer IPT registration no. of previous owner
 No Go to **10**.

(b) Do you wish to keep the IPT number of the previous owner?

Please tick

Yes
 No

◆ If you wish to keep the number, please remember to complete Form IPT 68.

10 Please give the date you expect to receive your first taxable premium.

◆ The term premium includes any fee charged by an intermediary, which is subject to IPT.

11 What class(es) of insurance business do you intend to provide?

◆ See Note 11 in the Notice "Registering for IPT" which will help you to answer this question.
 ◆ Please continue on a separate sheet of paper if necessary, and attach it to this form.

12 Please give the expected value of your taxable premium income for the 12 month period commencing from the date that you have given in question 10.

£

◆ If you do not have completely accurate figures, please give an estimate instead.

13 Are you registered for VAT in the UK?

Please tick

Yes Give your VAT registration no.
 No

14 Please indicate your preferred method of payment.

Please tick

Direct debit Credit transfer
 Cheque Postal order
 Cash

◆ If you wish to pay by direct debit please complete the mandate form in the Notice "Registering for IPT".

15 Please complete and sign the declaration

Declaration

I,
 (enter your full name in CAPITAL LETTERS) declare that the information given on this form and contained in any accompanying document is true and complete.

Signature Date

Please tick

Sole proprietor Partner Director
 Company Secretary Authorised Official Other
 Please give details below

| For official use only | | Registration | Tax Rep | TOGC |
|---|--|---------------------------|---------|------|
| LVO code and reg no <input type="text"/> | | Approved - Initials/date | | |
| Stagger <input type="checkbox"/> Group reg <input type="checkbox"/> Lloyd's return <input type="checkbox"/> | | Refused - Initials/date | | |
| | | Letter of approval issued | | |

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Regulation 16



Insurance Premium Tax Return

For the period
to

For Official Use

IPT Registration number: Period

| | |
|--|--|
| | |
|--|--|

You could be liable to a financial penalty if your completed return and all the IPT payable are not received by the due date.

Due date:

| | |
|-----------------------------------|--|
| For official use D O R only | |
|-----------------------------------|--|

Fold Here

Before you fill in this form please read the notes on the back.
Fill in all boxes clearly in ink, and write 'none' where necessary. Don't put a dash or leave any box blank. If there are no pence write "00" in the pence column. Do not enter more than one amount in any box.

| | £ | p |
|--|---|---|
| 1 Standard rate IPT due for this period | | |
| 2 Higher rate IPT due for this period | | |
| 3 Underdeclarations of standard rate IPT from previous periods | | |
| 4 Underdeclarations of higher rate IPT from previous periods | | |
| 5 Total (the sum of boxes 1 to 4) | | |
| 6 Overdeclarations of standard rate IPT from previous periods | | |
| 7 Overdeclarations of higher rate IPT from previous periods | | |
| 8 Total overdeclarations from previous periods | | |
| 9 Net tax payable or repayable (the difference between box 5 and box 8) | | |
| 10 Net value of taxable premiums (excluding tax) | | |

Special accounting scheme - please tick this box if you are using the scheme

| | |
|--|---|
| If you are enclosing a payment please tick this box. <input type="checkbox"/> | <p>DECLARATION: You, or someone on your behalf, must sign below.</p> I, <input style="width: 400px;" type="text"/> declare that the (Full name of signatory in BLOCK LETTERS) information given above is true and complete. Signature <input style="width: 150px;" type="text"/> Date <input style="width: 100px;" type="text"/> 19 <input style="width: 20px;" type="text"/> |
| <p>A false declaration can result in prosecution.</p> | |

IPT 100

PCU(March 1997)

| | | | | |
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Lloyd's Composite IPT return for Syndicates

For the period

to

For Official Use

IPT Registration number Period

| | |
|--|--|
| | |
|--|--|

You could be liable to a financial penalty if your completed return and all the IPT payable are not received by the due date.

Due date:

| | |
|-----------------------------------|--|
| For official use D O R only | |
|-----------------------------------|--|

Fold Here

Fill in all boxes clearly in ink, and write 'none' where necessary. Don't put a dash or leave any box blank. If there are no pence write "00" in the pence column. Do not enter more than one amount in any box.

| | | £ | p |
|-------------------------|--|---|---|
| For Official Use | 1 Standard rate IPT due for this period | | |
| | 2 Higher rate IPT due for this period | | |
| | 3 Underdeclarations of standard rate IPT from previous periods | | |
| | 4 Underdeclarations of higher rate IPT from previous periods | | |
| | 5 Total (the sum of boxes 1 to 4) | | |
| | 6 Overdeclarations of standard rate IPT from previous periods | | |
| | 7 Overdeclarations of higher rate IPT from previous periods | | |
| | 8 Total overdeclarations from previous periods | | |
| | 9 Net tax payable or repayable (the difference between box 5 and box 8) | | |
| | 10 Net value of taxable premiums (excluding tax) | | |

| | |
|--|--|
| If you are enclosing a payment please tick this box. <input type="checkbox"/> | <p>DECLARATION by the representatives of Syndicates, as defined in Regulation 9 of the Insurance Premium Tax Regulations 1994.</p> <p>I, <input style="width: 400px;" type="text"/> declare that the <small>(Full name of signatory in BLOCK LETTERS)</small></p> <p>information given above is true and complete.</p> <p>Signature <input style="width: 200px;" type="text"/> Date <input style="width: 100px;" type="text"/> 19</p> <p style="text-align: center;">A false declaration can result in prosecution.</p> |
|--|--|

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EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which come into force on 1 May 1997, amend the Insurance Premium Tax Regulations 1994 (“the principal Regulations”) and make provision for certain insurance intermediaries (“taxable intermediaries”) to register and account for insurance premium tax.

Regulation 3 amends regulation 2 of the principal Regulations by amending the definitions of “accounting period” and “registered person”, so that they include a reference to section 53AA (Registration of taxable intermediaries) of the Finance Act 1994 which was inserted by section 26 of the Finance Act 1997 (c. 16). A definition of “taxable intermediary’s fees” has also been inserted.

Regulation 4 inserts a new regulation 4A in the principal Regulations providing for how taxable intermediaries have to notify the Commissioners of their liability to register.

Regulation 5 amends regulation 5 of the principal Regulations so that the requirement to notify changes in particulars also applies to taxable intermediaries.

Regulation 6 introduces a new regulation 6A into the principal Regulations requiring taxable intermediaries to notify the Commissioners in writing within a specified time of their ceasing to charge taxable intermediaries’s fees.

Regulation 7 amends regulation 11 of the principal Regulations so that the provisions relating to bankruptcy or incapacity of a registrable person also apply to taxable intermediaries.

Regulation 8 amends regulation 16 of the principal Regulations so that the requirement to keep and preserve certain documents also applies to taxable intermediaries.

Regulation 9 replaces paragraphs (1) and (2) of regulation 17 of the principal Regulations so that fees received by taxable intermediaries are brought within the scope of Part IV of the principal Regulations (Claims in respect of Credit).

Regulation 10 amends regulation 18 of the principal Regulations so that the right to claim tax credits on an IPT return extends to taxable intermediaries.

Regulation 11 amends regulation 19 of the principal Regulations so that the rights and requirements relating to payments in respect of credit extend to taxable intermediaries.

Regulations 12, 13 and 14 amend, respectively, regulations 29, 30 and 31 of the principal Regulations so that the provisions relating to notification, registration and liability also apply to the tax representatives of taxable intermediaries.

Regulation 15 and the Schedule substitute new forms 1, 4, 5 and 6 for the forms prescribed in Schedule 1 to the principal Regulations.