
STATUTORY INSTRUMENTS

2007 No. 1031

**The Insurance Companies (Corporation
Tax Acts) (Amendment) Order 2007**

Amendment of Schedule 7 to the Finance Act 1991

14.—(1) Amend Schedule 7 to the Finance Act 1991 (basic life assurance and general annuity business)⁽¹⁾ as follows.

(2) In paragraph 16(2) (transitional relief for old general annuity contracts), in the definition of R1 and in the definition of R2, after “old annuity contracts” insert “but taking that amount as nil if it would otherwise be below nil”.

(3) In paragraph 17(4) (transitional provisions for chargeable gains and unrelieved general annuity losses)—

(a) after “old annuity contracts” insert “(but taking that mean to be nil if it would otherwise be below nil)”;

(b) at the end insert “This is subject to sub-paragraph (4A).”.

(4) After paragraph 17(4) insert—

“(4A) If for the purposes of sub-paragraph (4) above Z is nil or below nil then, for the purposes of this paragraph, the relevant part of the chargeable gains arising to a company in an accounting period shall be such part as is just and reasonable.”.