



Finance Act 1994

1994 CHAPTER 9

PART IV

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER V

LLOYD'S UNDERWRITERS: CORPORATIONS ETC.

Main provisions

219 Taxation of profits.

- (1) Corporation tax for any accounting period on the profits arising from a corporate member's underwriting business shall be computed on the profits of that accounting period.
- (2) As respects the profits arising to a corporate member for any accounting period directly from its membership of one or more syndicates, or from assets forming part of a [^{F1}premium] trust fund—
 - (a) the aggregate of those profits shall be computed for tax purposes under [^{F2}Part 3 of the Corporation Tax Act 2009] ; and
 - (b) accordingly, no part of those profits shall be computed for those purposes [^{F3}otherwise than under Part 3 of the Corporation Tax Act 2009] .
- (3) ^{F4}... The profits arising to a corporate member for any accounting period—
 - (a) from assets forming part of an ancillary trust fund; or
 - (b) from assets employed by it in, or in connection with, its underwriting business, shall be computed for tax purposes under [^{F5}Part 3 of the Corporation Tax Act 2009] if, and to the extent that, they do not fall to be computed for those purposes [^{F6}otherwise than under Part 3 of that Act] .

^{F7}(4)

Changes to legislation: Finance Act 1994, Cross Heading: Main provisions is up to date with all changes known to be in force on or before 21 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- F⁸(4A)
- F⁹(4B)
- F¹⁰(4C)
- F¹¹(5)

Textual Amendments

- F1** Words in s. 219(2)(4)(4B) substituted (1.12.2001) by [S.I. 2001/3629](#), [art. 87\(a\)](#)
- F2** Words in s. 219(2)(a) substituted (1.4.2009) (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009](#) (c. 4), s. 1329(1), [Sch. 1 para. 392\(2\)\(a\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F3** Words in s. 219(2)(b) substituted (1.4.2009) (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009](#) (c. 4), s. 1329(1), [Sch. 1 para. 392\(2\)\(b\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F4** Words in s. 219(3) omitted (21.7.2009) (with effect in accordance with [Sch. 14 para. 31](#) of the amending Act) by virtue of [Finance Act 2009](#) (c. 10), [Sch. 14 para. 18\(a\)](#)
- F5** Words in s. 219(3) substituted (1.4.2009) (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009](#) (c. 4), s. 1329(1), [Sch. 1 para. 392\(3\)\(a\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F6** Words in s. 219(3) substituted (1.4.2009) (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009](#) (c. 4), s. 1329(1), [Sch. 1 para. 392\(3\)\(b\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F7** S. 219(4) omitted (21.7.2009) (with effect in accordance with [Sch. 14 para. 31](#) of the amending Act) by virtue of [Finance Act 2009](#) (c. 10), [Sch. 14 para. 18\(b\)](#)
- F8** S. 219(4A) omitted (21.7.2009) (with effect in accordance with [Sch. 14 para. 31](#) of the amending Act) by virtue of [Finance Act 2009](#) (c. 10), [Sch. 14 para. 18\(b\)](#)
- F9** S. 219(4B) omitted (with effect in accordance with [Sch. 1 para. 73](#) of the amending Act) by virtue of [Finance Act 2016](#) (c. 24), [Sch. 1 para. 56](#)
- F10** S. 219(4C) omitted (21.7.2009) (with effect in accordance with [Sch. 14 para. 31](#) of the amending Act) by virtue of [Finance Act 2009](#) (c. 10), [Sch. 14 para. 18\(b\)](#)
- F11** S. 219(5) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005](#) (c. 5), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

Modifications etc. (not altering text)

- C1** S. 219 applied by 2010 c. 8, s. 454(a) (as inserted (with effect in accordance with [Sch. 5 para. 25\(1\)-\(3\)](#) of the amending Act) by [Finance \(No. 2\) Act 2017](#) (c. 32), [Sch. 5 para. 1](#) (with [Sch. 5 paras. 27, 32-34](#)))

220 Accounting period in which certain profits or losses arise.

- (1) For the purposes of section 219 above and all other purposes of the Corporation Tax Acts, the profits or losses arising to a corporate member in any accounting period directly from its membership of one or more syndicates, or from assets forming part of a [^{F12}premium] trust fund, shall be taken to be—
- (a) if two underwriting years each fall partly within that period, the aggregate of the apportioned parts of those profits or losses in those years; and
 - (b) if a single underwriting year falls wholly or partly within that period, those profits or losses or (as the case may be) the apportioned part of those profits or losses in that year.
- (2) Subject to the provisions of this Chapter, for the purposes of subsection (1) above and all other purposes of the Corporation Tax Acts—

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- (a) the profits or losses arising to a corporate member in any underwriting year directly from its membership of one or more syndicates shall be taken to be those of any previous year or years which are declared in that year; and
 - [^{F13}(b) the profits or losses arising to a corporate member from assets forming part of a premium trust fund which shall be taken to be profits or losses of any underwriting year are—
 - (i) those allocated under the rules or practice of Lloyd’s to any previous year or years the profits or losses of which are declared in that year, and
 - (ii) those arising in that year and not so allocated to any previous year or years.]
- (3) In this section “apportioned part”, in relation to the profits or losses of an underwriting year, means a part apportioned under [^{F14}section 52 of the Corporation Tax Act 2009].

Textual Amendments

- F12** Words in s. 220(1)(2)(b) substituted (1.12.2001) by [S.I. 2001/3629, art. 87\(b\)](#)
- F13** S. 220(2)(b) substituted (1.7.2007 with effect in accordance with reg. 1(2) of the amending S.I.) by [The Finance Act 1994, Section 220 \(Amendment\) Regulations 2007 \(S.I. 2007/1616\), regs. 1\(1\), 2](#)
- F14** Words in s. 220(3) substituted (1.4.2009) (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\), Sch. 1 para. 393](#) (with [Sch. 2 Pts. 1, 2](#))

^{F15}**221 Assessment and collection of tax.**

Textual Amendments

- F15** [S. 221](#) repealed (20.7.2005 for specified purposes, 1.1.2006 in so far as not already in force) by [Finance \(No. 2\) Act 2005 \(c. 22\), s. 45\(4\)\(8\)\(9\), Sch. 11 Pt. 2\(11\)](#); [S.I. 2005/3337, art. 2](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 16A(2)(g) inserted by [2023 c. 30 Sch. 13 para. 28](#)
- s. 160(2)-(7) modified by 2010 c. 8 s. 464(6) (as inserted) by [2017 c. 32 Sch. 5 para. 1](#)
- Sch. 5 para. 2(1)(pa) inserted by [S.I. 2022/109 reg. 4](#) (This amendment not applied to [legislation.gov.uk](#). The affecting statutory instrument has no legal effect. It was made under a procedure which meant that it ceased to have effect 28 days after signing unless it was debated and approved in Parliament within that time. It was not debated and approved within 28 days, so it has expired with no effect.)