



Finance Act 2012

2012 CHAPTER 14

PART 2

INSURANCE COMPANIES CARRYING ON LONG-TERM BUSINESS

CHAPTER 4

APPORTIONMENT RULES FOR I - E CHARGE

Allocation of chargeable gains and allowable losses on disposals of assets

100 Assets wholly or partly matched to BLAGAB liabilities

- (1) If, immediately before the disposal, the whole of the asset was matched to a BLAGAB liability, the whole of the gain or loss is referable to the company's basic life assurance and general annuity business.
- (2) If, immediately before the disposal, a part of the asset was matched to a BLAGAB liability, the appropriate portion of the gain or loss is referable to the company's basic life assurance and general annuity business.
- (3) "The appropriate proportion" means the proportion equal to the proportion of the asset matched to the BLAGAB liability.
- (4) If, as a result of Chapter 8, there is a disposal of a part of an asset where the part concerned is matched to a BLAGAB liability, the whole of the gain or loss is referable to the company's basic life assurance and general annuity business.
- (5) The concept of the whole or a part of an asset being matched to a BLAGAB liability is explained by section 138.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2012, Section 100.