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STATUTORY INSTRUMENTS

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**2001 No. 3629**

The Financial Services and Markets Act 2000  
(Consequential Amendments) (Taxes) Order 2001

PART 2

AMENDMENTS TO PRIMARY LEGISLATION

*The Finance Act 1996 (c. 8)*

**Introduction**

**92.** Amend the Finance Act 1996 in accordance with Articles 93 to 96.

**Mis-sold personal pensions**

**93.**—(1) Amend section 148(6) (mis-sold personal pensions: interpretation) as follows.

(2) In the definition of “bad investment advice” for paragraph (d) substitute—

“(d) by reason of a contravention which is actionable—

(i) under section 62 of the Financial Services Act 1986; or

(ii) under section 150 of the Financial Services and Markets Act 2000;”.

(3) For the definition of “investment advice” substitute—

““investment advice”—

(a) in relation to a time before 1st December 2001, means advice such as is mentioned in paragraph 15 of Schedule 1 to the Financial Services Act 1986; and

(b) in relation to a time on or after that date, means advice such as is mentioned in Article 53 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;”.

**Loan relationships: continuity of treatment**

**94.**—(1) Amend paragraph 12 of Schedule 9 (loan relationships: continuity of treatment) as follows.

(2) In sub-paragraph (1) for paragraph (c) substitute—

“(c) a transfer between two companies of business consisting of the effecting or carrying out of contracts of long-term insurance which has effect under an insurance business transfer scheme;”.

(3) For paragraph (9) substitute—

“(9) In this paragraph—

“contracts of long-term insurance” means contracts which fall within Part II of Schedule 1 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;

“insurance business transfer scheme” means a scheme falling within section 105 of the Financial Services and Markets Act 2000, including an excluded scheme falling within Case 2, 3 or 4 of subsection (3) of that section;

“overseas life insurance company” has the same meaning as in Chapter 1 of Part 12 of the Taxes Act 1988.”.

(4) This Article has effect in relation to any transfer under a scheme falling within section 105 of the Financial Services and Markets Act 2000, including an excluded scheme falling within Case 2, 3 or 4 of subsection (3) of that section.

### **Loan relationships: collective investment schemes**

**95.**—(1) Amend paragraph 8 of Schedule 10 (loan relationships: non-qualifying investment test for collective investment schemes)(1) as follows.

(2) In sub-paragraph (7A)—

- (a) in paragraph (a) for “75 of the Financial Services Act 1986” substitute “235 of the Financial Services and Markets Act 2000”;
- (b) in paragraph (b) for “75(8) of the Financial Services Act 1986” substitute “236 of the Financial Services and Markets Act 2000”.

(3) In sub-paragraph (7D)—

- (a) in paragraph (a) for “75(8) of the Financial Services Act 1986” substitute “236 of the Financial Services and Markets Act 2000”;
- (b) in paragraph (c) for “75(3)(a)” substitute “235(3)(a)”.

### **Miscellaneous amendments**

**96.**—(1) In the following provisions for “long term” substitute “long-term”—

- (a) paragraph 12(3) of Schedule 9;
- (b) the following paragraphs of Schedule 11(2)—
  - (i) paragraph 3(b);
  - (ii) paragraph 3A(1)(b), (2), (3)(a) and (4);
  - (iii) paragraph 5(1)(a);
  - (iv) paragraph 6;
- (c) paragraph 1(3) of Schedule 15.

(2) In paragraph 3A(1)(a) of Schedule 11 for “long term business” substitute “long-term insurance”.

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(1) Paragraph 8 was relevantly amended by Article 10 of S.I.1997/213.

(2) Schedule 11 was relevantly amended by section 109(8) of the Finance Act 2000.