

**2006 No. 111**

**INCOME TAX**

**CORPORATION TAX**

**The Lloyd's Underwriters (Scottish Limited Partnerships) (Tax)  
(Amendment) Regulations 2006**

<i>Made</i> - - - -	<i>23rd January 2006</i>
<i>Laid before the House of Commons</i>	<i>24th January 2006</i>
<i>Coming into force</i> - -	<i>14th February 2006</i>

The Commissioners for Her Majesty's Revenue and Customs, in exercise of the powers conferred by section 182(1) of the Finance Act 1993<sup>(a)</sup> and section 229 of the Finance Act 1994<sup>(b)</sup> and now vested in them<sup>(c)</sup>, and having regard to the relevant changes in the rules or practice of Lloyd's, make the following Regulations:

**Citation, commencement and effect**

1.—(1) These Regulations may be cited as the Lloyd's Underwriters (Scottish Limited Partnerships) (Tax) (Amendment) Regulations 2006 and shall come into force on 14th February 2006.

(2) These Regulations shall have effect with respect to accounting periods of Lloyd's partnerships ending on or after that date.

**Amendment of (and extension to) the Lloyd's Underwriters (Scottish Limited Partnerships) (Tax) Regulations 1997**

2. The Lloyd's Underwriters (Scottish Limited Partnerships) (Tax) Regulations 1997<sup>(d)</sup> are amended as follows.

3. In the title and citation of those Regulations omit "Scottish Limited".

4. In regulations 2 to 10, except in—

- (a) the definition of "Lloyd's Scottish limited partnership" in regulation 2(1), and
- (b) regulation 8,

omit "Scottish Limited" wherever those words occur (including in the headings to Parts of those Regulations).

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(a) 1993 c. 34; section 182(1) was relevantly amended by section 45 of the Finance (No. 2) Act 2005 (c. 22).

(b) 1994 c. 9; section 229 was relevantly amended by section 45 of the Finance (No. 2) Act 2005.

(c) The functions of the Commissioners of Inland Revenue were transferred to the Commissioners for Her Majesty's Revenue and Customs by section 5 of the Commissioners for Revenue and Customs Act 2005 (c. 11).

(d) S.I. 1997/2681.

5. In regulation 2(1) add at the appropriate place—
- ““Lloyd’s partnership” means—
- (a) a Lloyd’s Scottish limited partnership, or
  - (b) a limited liability partnership formed under the law of any part of the United Kingdom which is a member of Lloyd’s.”.
6. In regulation 3(1)—
- (a) for “section 111(2) of the Taxes Act” substitute “section 849 of the Income Tax (Trading and Other Income) Act 2005(a)”; and
  - (b) after sub-paragraph (b) insert—  
“(ba) the Lloyd’s Underwriters (Tax) Regulations 2005(b) shall have effect in relation to the partnership as if it were a member who is an individual.”.
7. In regulation 3(2) at the end add—
- “; and
- (c) the Lloyd’s Underwriters (Tax) Regulations 2005 shall have effect in relation to the partnership as if it were a member which is a corporate member.”.
8. In regulation 6(1)(a) for “section 60(2) to (5), and sections 61 to 63A, of the Taxes Act” substitute “Chapter 15 of Part 2 of the Income Tax (Trading and Other Income) Act 2005”.
9. In regulation 10 for “computation under section 111 of the Taxes Act” substitute “calculation under Part 9 of the Income Tax (Trading and Other Income) Act 2005”.

*David Varney*  
*Michael Hanson*

23rd January 2006

Two of the Commissioners for Her Majesty’s Revenue and Customs

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(a) 2005 c. 5.  
(b) S.I. 2005/3338.

## **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

Members of Lloyd's are taxed according to legislation set out in Chapter 3 of Part 2 to the Finance Act 1993 (for individuals) and Chapter 5 of Part 4 to the Finance Act 1994 (for corporation tax). The Lloyd's (Scottish Limited Partnerships)(Tax) Regulations 1997 (S.I. 1997/2681) ensure that the tax rules for Lloyd's and partnerships operate satisfactorily in relation to Scottish Limited partnerships ("SLPs"), hitherto the only form of partnerships admitted to membership of Lloyd's.

Lloyd's has now amended its membership byelaws to admit limited liability partnerships ("LLPs") with effect from 7th December 2005. These Regulations accordingly amend S.I. 1997/2681 so that in future they will apply to "Lloyd's partnerships" (defined as SLP or LLP members of Lloyd's).

A Regulatory Impact Assessment has not been published for this instrument as it has no significant impact on business, charities or voluntary bodies.

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