



Corporation Tax Act 2009

2009 CHAPTER 4

PART 6

RELATIONSHIPS TREATED AS LOAN RELATIONSHIPS ETC

CHAPTER 11

INVESTMENT LIFE INSURANCE CONTRACTS

Investment life assurance contracts treated as creditor relationships

564 Section 563: interpretation

- (1) In section 563 “BLAGAB contract” means a contract forming part of basic life assurance and general annuity business of an insurance company but not part of business which is exempt from corporation tax under [F1section 158 of FA 2012] (friendly society business and former friendly society business).
- (2) For the purposes of section 563 a contract is subject to a relevant comparable EEA tax charge if the contract forms part of the business of a company (other than the relevant company) to which a relevant comparable EEA tax charge has applied.
- (3) For the purposes of subsection (2) a relevant comparable EEA tax charge has applied to a company if each of conditions A to D is met.
- (4) Condition A is that a charge to tax has applied to the company under the laws of a territory outside the United Kingdom that is within the European Economic Area.
- (5) Condition B is that the charge has applied to the company—
 - (a) as a body deriving its status as a company from those laws,
 - (b) as a company with its place of management there, or
 - (c) as a company falling under those laws to be regarded for any other reason as resident or domiciled there.

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- (6) Condition C is that the charge applies at a rate of at least 20% in relation to the amounts subject to tax in the company's hands, other than amounts arising or accruing in respect of investments of a description for which a special relief or exemption is generally available.
- (7) Condition D is that the charge is made otherwise than by reference to the company's profits.

Textual Amendments

F1 Words in s. 564(1) substituted (17.7.2012) by [Finance Act 2012 \(c. 14\)](#), [Sch. 18 para. 21](#)

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

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

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

- s. 322(2A)(zb) inserted by [2016 c. 24 s. 73\(5\)](#)
- s. 934(1A)(1B) inserted by [2023 c. 30 Sch. 2 para. 12\(2\)](#)
- s. 962(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(5\)\(b\)](#)
- s. 962A(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(6\)\(b\)](#)
- s. 963(1A) inserted by [2023 c. 30 Sch. 2 para. 12\(7\)\(a\)](#)
- s. 1058B(5)(ea) inserted by [2023 c. 20 Sch. para. 57](#)
- s. 1094(2A)-(2C) inserted by [2012 c. 14 Sch. 3 para. 13\(3\)](#)
- s. 1106(4A)-(4C) inserted by [2012 c. 14 Sch. 3 para. 14\(3\)](#)
- s. 1138A applied by [S.I. 2024/348 reg. 3](#)