

SCHEDULES

SCHEDULE 17

PART 2: TRANSITIONAL PROVISION

PART 1

DEEMED RECEIPTS OR EXPENSES

The comparison etc

- 5 (1) In the case of an insurance company, a comparison must be made between—
- (a) the amount attributed to shareholders as at 31 December 2012 (see sub-paragraphs (2) to (4)), and
 - (b) the cumulative taxed surplus as at 31 December 2012 (see sub-paragraph (5) and (6)).
- (2) The amount attributed to shareholders as at 31 December 2012 is—
- (a) the amount shown in line 75 of Form 14 of the 2012 periodical return in respect of the whole of the company’s long-term business, less
 - (b) the amount (if any) shown in the 2012 balance sheet of the company in respect of the fund for future appropriations or unallocated divisible surplus.
- (3) In prescribed cases the amount attributed to shareholders as at 31 December 2012 is to be found by making prescribed adjustments to the amount found by sub-paragraph (2)(a) and (b).
- (4) In sub-paragraph (3) “prescribed” means prescribed, or of a description prescribed, by regulations made by the Treasury.
- The regulations may be made so as to have effect in relation to any period beginning before but ending on or after the day on which the regulations are made (as well as in relation to periods no part of which falls before that day).
- (5) The cumulative taxed surplus as at 31 December 2012 is found by adding together the amounts (if any) found by the following paragraphs—
- (a) the amount shown in line 13 of Form 14 of the 2012 periodical return in respect of the whole of the company’s long-term business but excluding the amount representing any undistributed demutualisation surplus of the company for the period of account ending immediately before 1 January 2013, and
 - (b) the total amount brought into account for any period of account of the company as a result of section 83YA(3) of FA 1989 less the total amount brought into account for any period of account as a result of section 83YA(4) of FA 1989 (changes in value of assets brought into account: non-profit companies).

Status: This is the original version (as it was originally enacted).

- (6) In sub-paragraph (5)(a) “undistributed demutualisation surplus” means the undistributed demutualisation surplus of the company for the period of account in question for the purposes of section 444AF of ICTA.
- (7) The difference between the amount attributed to shareholders as at 31 December 2012 and the cumulative taxed surplus as at 31 December 2012 is referred to in this Part of this Schedule as “the total transitional difference”.
- (8) If the amount attributed to shareholders as at 31 December 2012 exceeds the cumulative taxed surplus as at 31 December 2012, the total transitional difference is a positive figure.
- (9) If the cumulative taxed surplus as at 31 December 2012 exceeds the amount attributed to shareholders as at 31 December 2012, the total transitional difference is a negative figure.