



Finance Act 2012

2012 CHAPTER 14

PART 3

FRIENDLY SOCIETIES CARRYING ON LONG-TERM BUSINESS

Exemption for other business

168 **Withdrawal of qualifying status**

- (1) HMRC Commissioners may give a direction under this section to—
 - (a) a registered friendly society which is a qualifying society for the purposes of section 164 as a result of its registration before 1 June 1973, or
 - (b) an incorporated friendly society which is a qualifying society for the purposes of section 165 as a result of falling within case A or C and whose business and rules are not of a kind mentioned in section 164(2)(b) or (c).
- (2) The Commissioners may give the direction if—
 - (a) the society begins to carry on relevant other business or, in their opinion, begins to carry on relevant other business on an enlarged scale or of a new character, and
 - (b) it appears to them, having regard to the restrictions imposed by section 164 on registered friendly societies registered on or after 1 June 1973, that for the protection of the revenue it is expedient to give the direction.
- (3) The direction is that (and has the effect that) the society ceases to be a qualifying society as from the date of the direction.
- (4) The society may appeal against the direction on the ground that—
 - (a) it has not begun to carry on business as mentioned in subsection (2)(a), or
 - (b) the direction is not necessary for the protection of the revenue.
- (5) The appeal must be made within 30 days of the date on which the direction is given.