



Finance Act 2012

2012 CHAPTER 14

PART 2

INSURANCE COMPANIES CARRYING ON LONG-TERM BUSINESS

CHAPTER 2

CHARGE TO TAX ON I - E BASIS ETC

BLAGAB taxed on I - E basis

70 Rules for calculating I - E profit or excess BLAGAB expenses

- (1) The rules set out in Chapter 3 determine whether for an accounting period an insurance company carrying on basic life assurance and general annuity business has an I - E profit or excess BLAGAB expenses (and, if so, the amount of the profit or expenses).
- (2) Those rules are referred to in this Part as “the I - E rules”.
- (3) The calculation of the I - E profit or excess BLAGAB expenses is to operate by reference to the amounts that are credited or debited in the accounts of the company for a period of account drawn up in accordance with generally accepted accounting practice.
- (4) But, in the case of amounts of a particular description, that is subject to any provision which (whether expressly or by implication) provides for that calculation to operate by reference to something else.
- (5) For the meaning of “excess BLAGAB expenses”, see section 73.