

Amendment 5 to Schedule 3: Corporate Interest Restriction

Summary

1. This amendment to Schedule 3 revises the definition of an “insurance company” for Corporate Interest Restriction purposes.

Details of the amendment

2. This amendment provides that, for the purposes of the Corporate Interest Restriction rules, the definition of an insurance company includes entities that effect or carry out contracts of insurance and have regulatory permission to do so in the United Kingdom or under a foreign law which is similar to or corresponds to the relevant United Kingdom law.

Background note

3. This amendment removes paragraph 28 of Schedule 3 introduced by clause 34 of the Finance Bill and inserts a new paragraph 28 that amends section 494 of TIOPA 2010 and Part 7 of Schedule 11 of TIOPA 2010.
4. The amendment means that all UK insurance companies will continue to meet the definition, but for periods of account beginning on or after 1 April 2023 the amendment has the effect of expanding the definition to also include all overseas insurance companies which hold interests in UK portfolio investment entities.