
34 Insurance companies carrying on long-term business

- (1) Part 2 of FA 2012 (insurance companies carrying on long-term business) is amended as follows.
- (2) In section 73 (the I-E basis), in step 4—
 - (a) for “(but not below nil) by the” substitute “by the relievable”, and
 - (b) at the end of the step insert—

“In this step, “the relievable amount” of a non-trading deficit means so much of the deficit as does not exceed the total of—

 - (a) the amount given by the calculation required by step 1,
 - (b) the amount given by the calculation required by step 2, and
 - (c) any amount of an I-E receipt under section 92 brought into account under step 3.”
- (3) In section 88 (loan relationships, derivative contracts and intangible fixed assets), in subsection (6), for “excess—” and paragraphs (a) and (b), substitute “excess is treated for the purposes of section 76 as a deemed BLAGAB management expense for that period.”
- (4) In section 126 (restrictions in respect of non-trading deficit), in subsection (2), for “would have under section 388” to the end substitute “has, calculated by reference only to credits and debits—
 - (a) arising in respect of such of the company’s loan relationships as are debtor relationships (see section 302(6) of CTA 2009), and
 - (b) referable, in accordance with Chapter 4, to the company’s basic life assurance and general annuity business.”
- (5) The amendments made by this section have effect in relation to accounting periods beginning on or after the day on which this Act is passed.