EXPLANATORY MEMORANDUM TO

THE INSURANCE COMPANIES (OVERSEAS LIFE ASSURANCE BUSINESS) (COMPLIANCE) (AMENDMENT) REGULATIONS 2004

2004 No.3273

1. This explanatory memorandum has been prepared by the Commissioners of Inland Revenue and is laid before the House of Commons by Command of Her Majesty.

2. Description

2.1 The regulations amend the Insurance Companies (Overseas Life Assurance Business) (Compliance) Regulations 1995 (SI 1995/3237) to update references to the 1st and 3rd EC Life Directives by replacing them with the corresponding references to the EC Consolidated Life Insurance Directive (2002/83/EC).

3. Matters of Special interest to the Select Committee on Statutory Instruments

3.1 None.

4. Legislative Background

4.1 These regulations are being made under powers conferred by section 431E ICTA 1988.

5. Extent

5.1 The instrument applies to all of the United Kingdom.

6. European Convention on Human Rights

6.1 These regulations are subject to annulment and do not amend primary legislation.

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7. Policy Background

7.1 The Insurance Companies (Overseas Life Assurance Business) (Compliance) Regulations 1995 require insurance companies writing overseas life assurance business to provide documentation and information about their policyholders in order for the business with them to qualify, or remain qualifying, as overseas life assurance business. The regulations refer to transfers under certain Articles of the 1st and 3rd EC life Insurance Directives and provide that the obligation in relation to transferred business falls on the transferee and that the transferred business may be treated as having been entered into on the date of transfer.

The 1st & 3rd Directives were replaced in late 2002 by the Consolidated Life Insurance Directive. These regulations update the references to the 1st & 3rd Directives.

8. Impact

8.1 A Regulatory Impact Assessment has not been published for this instrument.

8.2 The regulations will have no impact on the public sector.

9. Contact

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