EXPLANATORY MEMORANDUM TO

THE INSURANCE COMPANIES (OVERSEAS LIFE ASSURANCE BUSINESS) (COMPLIANCE) (AMENDMENT) REGULATIONS 2008

2008 No. 2627

1. This explanatory memorandum has been prepared by HM Revenue and Customs on behalf of HM Treasury and is laid before the House of Commons by Command of Her Majesty. This memorandum contains information for the Select Committee on Statutory Instruments.

2. Description

This instrument amends the Insurance Companies (Overseas Life Assurance Business) (Compliance) (Amendment) Regulations 1995 (S.I. 1995/3237: "the 1995 Regulations") to update cross-references to primary legislation.

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

None

4. Legislative Background

4.1 The 1995 Regulations provide (among other matters) for the supply of information and other action by insurers in relation to policies made with non-resident policyholders ("overseas life assurance business").

4.2 In 1995 and at the time of subsequent amendments to the 1995 Regulations the information related to provisions of the Income and Corporation Taxes Act 1988 ("ICTA"). In 2005 those provisions so far as applying to individuals were rewritten in the Income Tax (Trading and Other Income) Act 2005 ("ITTOIA"). The references in the 1995 Regulations were not amended as Part 1 of Schedule 2 to ITTOIA made the necessary translation.

4.3 Schedule 14 to the Finance Act 2008 repealed the ICTA provisions. These Regulations therefore substitute the ITTOIA provisions for the ICTA ones.

5. Territorial Extent and Application

This instrument applies to all of the United Kingdom.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 This instrument is made to keep secondary legislation affecting insurance companies up to date.

7.2 A draft of these Regulations has been circulated to appropriate bodies and persons within the insurance industry and their advisers.

7.3 Guidance on the changes will be incorporated in HMRC's Life Assurance Manual and its OLAB Guidance Notes.

8. Impact

8.1 A full and final Impact Assessment has not been produced for this instrument as it has no impact on the private or voluntary sectors.

8.2 There is no impact on the public sector.

9. Contact

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