

Exemption of certain policies of assurance. FA 1993 s133 74.—(1) In this section—

“assurance company” has the meaning assigned to it by section 706 of the Taxes Consolidation Act 1997 ;

“new policy” means a contract entered into by an assurance company which is a policy of assurance on the life of any person issued on or after 1 January 2001;

“old policy” means a contract entered into by an assurance company in the course of carrying on a foreign life assurance business within the meaning of section 451 of the Taxes Consolidation Act 1997 and issued on or after 1 December 1992 and before 1 January 2001.

(2) Where any interest in a new policy or in an old policy is comprised in a gift or an inheritance, then any such interest—

(a) is exempt from tax, and

(b) is not taken into account in computing tax on any gift or inheritance taken by a donee or successor,

if it is shown to the satisfaction of the Commissioners that—

(i) such interest is comprised in the gift or inheritance at the date of the gift or at the date of the inheritance,

(ii) at the date of the disposition, the donor is neither domiciled nor ordinarily resident in the State, and

(iii) at the date of the gift or at the date of the inheritance, the donee or successor is neither domiciled nor ordinarily resident in the State.

(3) Where—

(a) an interest in a new policy or in an old policy, as the case may be, which is comprised in a gift or inheritance came into the beneficial ownership of the donor or became subject to the disposition prior to 15 February 2001, and

(b) the conditions at subparagraphs (i) and (iii) of subsection (2) are complied with,

then that subsection shall apply to that interest in a new policy or in an old policy, as the case may be, if, at the date of the disposition, the proper law of the disposition was not the law of the State.