

Pension business. CTA76 s41; FA88 s30(1) and (2)(c); FA91 s38 717.—(1) Exemption from corporation tax shall be allowed in respect of income from, and chargeable gains in respect of, investments and deposits of so much of an assurance company's life assurance fund and separate annuity fund, if any, as is referable to pension business.

(2) (a) In this subsection, “financial futures” and “traded options” mean respectively financial futures and traded options which are for the time being dealt in or quoted on any futures exchange or any stock exchange, whether or not that exchange is situated in the State.

(b) For the purposes of subsection (1), a contract entered into in the course of dealing in financial futures or traded options shall be regarded as an investment.

(3) The exemption from tax conferred by subsection (1) shall not exclude any sums from being taken into account as receipts in computing profits or losses for any purpose of the Corporation Tax Acts.

(4) Subject to subsection (5), the exclusion by section 129 from the charge to corporation tax of franked investment income shall not prevent such income being taken into account as part of the profits in computing under section 715 income from pension business.

(5) (a) Where for any accounting period there is apart from this subsection a profit arising to an assurance company from pension business ) and the company so elects as respects all or any part of its franked investment income arising in that period, being an amount of franked investment income not exceeding the amount of the profit arising from pension business, subsections (1) and (4) shall not apply to the franked investment income to which the election relates.

(b) An election under paragraph (a) shall be made by notice in writing given to the inspector not later than 2 years after the end of the accounting period to which the election relates or within such longer period as the Revenue Commissioners may by notice in writing allow.

(6) In computing under section 715 the profits from pension business, annuities shall be deductible notwithstanding section 76 (5), and a company shall not be entitled to treat as paid out of profits or gains brought into charge to income tax any part of the annuities paid by the company which is referable to pension business.