

General annuity and pension business. CTA76 s44 727.—(1) Nothing in the Corporation Tax Acts shall prevent the distributions of companies resident in the State from being taken into account as part of the profits in computing under section 715 the profits arising from pension business and general annuity business to an overseas life assurance company.

(2) Any charge to tax under section 715 for any accounting period on profits arising to an overseas life assurance company from general annuity business shall extend only to a portion of the profits arising from that business, and that portion shall be determined by the formula—

$$A \times B \div C$$

where—

A is the total amount of those profits,

B is the average of the liabilities attributable to that business for the relevant accounting period in respect of contracts with persons resident in the State or contracts with persons resident outside the State whose proposals were made to the company at or through its branch or agency in the State, and

C is the average of the liabilities attributable to that business for that accounting period in respect of all contracts.

(3) For the purposes of this section—

(a) the liabilities of an assurance company attributable to general annuity business at any time shall be ascertained by reference to the net liabilities of the company as valued by an actuary for the purposes of the relevant periodical return, and

(b) the average of any liabilities for an accounting period shall be taken as 50 per cent of the aggregate of the liabilities at the beginning and end of the valuation period which coincides with that accounting period or in which that accounting period falls.