HMRC - IPT06215 - Registration: When Notification Should Be Made

Section 53(2) of The Finance Act 1994 says:

A person who-

(a) at any time forms the intention of receiving, as insurer, premiums in the course of a taxable business, and

(b) is not already receiving, as insurer, premiums in the course of another taxable business,

shall notify the Commissioners of those facts.

Regulation 4 of The IPT Regulations 1994 gives further details of the obligations laid to a person required by Section 53(2) to notify the Commissioners. Regulation 4(3) says:

The notification referred to in this regulation shall be made within thirty days of the earliest date after 31st July 1994 on which the person either forms or continues to have the intention to receive premiums in the course of a taxable business.

This means that, once a person forms an intention to receive taxable premiums, they have thirty days in which to notify us. An insurer cannot wait until they receive premiums or actually write policies before they notify us.

Regulation 4.3 was drafted as shown above especially to promote registration during August 1994 by insurers who were already established, and liable to account for the tax. There are similar provisions for taxable intermediaries (IPT06810 refers).

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