

## Who should complete Lloyd's underwriters pages?

You should only fill in the *Lloyd's underwriters* pages if you were trading as an underwriting member of Lloyd's (or a Name) at any time during the calendar year 2007. You will usually be treated as a Name until your Lloyd's deposit is released. However, there may be circumstances where you are still treated as a Name after your deposit is released - check with W Yorkshire Personal Tax Unit if you think this may apply.

If you ceased trading as a Name before 1 January 2007 you should not fill in the *Lloyd's underwriters* pages. Any income you receive from Lloyd's after that date is not treated as Lloyd's income but as a post-cessation receipt. This should be entered in box 15 in the 'Income' section on page TR 3 of your Tax Return. Any expenses relating to Lloyd's which you incur after 31 December 2006 are treated as post-cessation expenses of 2007-08 and should be entered in box 16 on page TR 3. Post-cessation expenses may only be set against post-cessation income of the same or later years.

## Completing the Lloyd's underwriters pages

These pages ask for details of the income, expenditure and losses connected with membership of Lloyd's that together make up the trading profits or losses for the tax year 2007-08. To complete the *Lloyd's underwriters* pages of the Tax Return for the year ended 5 April 2008, you will need form CTA 1 (2004) (syndicate results for the 2004 account) and form CTA 2 (2007) (the non-syndicate Lloyd's Members' Services Unit Taxation Advice for 2007-08). To help you to complete the pages, Lloyd's Members' Services Unit has cross referenced each entry in the Taxation Advices to the relevant box numbers on the *Lloyd's underwriters* pages. The information asked for in these pages relates only to income from assets held as part of your personal funds at Lloyd's. Income from assets that are held by you personally should be entered on the appropriate pages of your Tax Return.

Capital gains from disposal of syndicate capacity and sale of assets in personal funds should be included on the *Capital Gains Summary* pages and not on the *Lloyd's underwriters* pages. Further guidance on this is in the section headed 'Capital Gains Tax' in Help Sheet 240 *Lloyd's underwriters*.

## Income from funds at Lloyd's - UK interest (year ended 31 December 2007)

This section is for income from assets that are held in your personal funds at Lloyd's, including your deposit and any other fund required or authorised by the rules of Lloyd's, or required by the members' agent. Do not include syndicate Premiums Trust Funds or Special Reserve Funds (SRF).

Income from personal funds at Lloyd's forms part of the trading profits from membership of Lloyd's and should be entered on these pages, not anywhere else in your Tax Return. In general, the income is included in Lloyd's profits of the tax year corresponding to the calendar year of receipt. So the income received in the calendar year 2007 is included in your Lloyd's profits for the tax year 2007-08.

UK interest (and alternative finance receipts) includes:

- interest from banks, building societies and National Savings & Investments
- interest on government stocks (gilts) - with or without tax taken off
- interest distributions from companies and UK authorised unit trusts and open-ended investment companies (OEICs)
- interest on other loan stocks and loans to companies



You may need these Help Sheets for the *Lloyd's underwriters* pages  
Help Sheet 220 *More than one business*  
Help Sheet 240 *Lloyd's underwriters*  
Help Sheet 343 *Accrued Income Scheme*

## UK interest which has not been taxed

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### Interest on gilts and from UK banks or building societies

If the interest on gilts and interest and alternative finance receipts from UK banks and building societies has been paid without the payer deducting tax at all - 'gross' interest etc. - enter the untaxed 'gross' amount received in box 1.

#### ***Deeply discounted securities***

If you hold a deeply discounted security you will generally be chargeable to tax only when you dispose of the security in any way or it is redeemed. At that time, the difference between the amount you paid for the security and the amount you received when you sold or redeemed it will be included in your Lloyd's trading results. The payment is made without deduction and so the gross amount received in calendar year 2007 should be entered in box 1.

There is no relief for a loss on redemption or disposal of a deeply discounted security unless it has been held since 26 March 2003 and it was then, or had been, listed on a recognised stock exchange. If so, enter the qualifying loss in box 2. If you would like further advice ask W Yorkshire Personal Tax Unit or your tax adviser.

#### ***Gilt strips and strips of non-UK government securities***

If any of your funds at Lloyd's have been invested in strips, ask W Yorkshire Personal Tax Unit for advice on how this will affect your Return.

#### ***Building society mergers and conversions***

If any of your funds at Lloyd's are held in a building society that has been involved in a merger, conversion into a limited company or take-over by a limited company, you or Lloyd's as trustees may have received cash and/or shares, and there may be liability to Income Tax or Capital Gains Tax. The building society may be able to tell you; if not, you should ask W Yorkshire Personal Tax Unit or your tax adviser.

#### ***Cash payments***

Add payments that are liable to Capital Gains Tax to your other chargeable gains for the year. Cash payments liable to Capital Gains Tax are generally those received following the take-over of a building society, or conversion to a limited company. Please read the notes on page TRG 4 of your Tax Return guide for the circumstances when you should fill in the *Capital Gains Summary* pages.

To the extent that cash payments relate to deposits held as part of your funds at Lloyd's, those payments that are liable to Income Tax should be included in box 1 and box 4. Cash payments liable to Income Tax are generally those received following a building society merger.

## Accrued Income Scheme and relevant discounted securities

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### Positive and negative amounts - *the aggregate amount (if the overall nominal value of all holdings was more than £5,000)*

Accrued income securities include all interest bearing securities, including permanent interest bearing shares in a building society (PIBS), government loan stock and company loan stock, but not shares in a company or National Savings & Investments certificates.

Under the Accrued Income Scheme, no profit arises and no loss is made for 2007-08 if the total nominal value of all accrued income securities held at any time in 2007-08 or 2006-07 did not exceed £5,000.

If the aggregate nominal value of accrued income securities is more than £5,000, you will have to calculate profits or losses for securities you have bought, sold or transferred if the next interest payment after your purchase or sale etc. fell in the

calendar year 2007. Further details are in Help Sheet 343 *Accrued Income Scheme*. For each kind of security, combine the profits (positive amounts) and losses (negative amounts) to produce a net amount and enter the aggregate amount in box 2. The resulting amount is included in trading results for resident and non-resident Names alike - the only exceptions for non-residents are for non-UK and FOTRA (free of tax to residents abroad) securities.

If you hold such securities both as part of your personal funds at Lloyd's and as part of your personal non-Lloyd's investments, do not include the amount in box 2 in the box 3 total on page Ai 1 of the *Additional information* pages.

Qualifying losses on the redemption or disposal of a deeply discounted security should also be entered in box 2 (as a negative amount). If you need further advice on this, please contact W Yorkshire Personal Tax Unit.

### **UK interest which has been taxed already**

#### **3 Interest from UK banks, building societies, unit trusts etc. and any other income from UK savings and investments - after tax taken off**

If the interest and alternative finance receipts from UK banks, building societies, unit trusts and other savings and investments has been paid after tax (at 20%) has been taken off or deducted by the payer, enter the 'net' amount in box 3. The statement from your bank, building society or members' agent should give you the details (but may describe the amounts differently).

For interest distributions and other interest, the information needed to complete boxes 3 and 4 should be on your tax vouchers. Ask the unit trust manager, company or the Lloyd's Members' Services Unit in Chatham if you do not have them.

#### **4 Tax taken off**

Enter the amount of tax taken off in box 4. If your statement only gives the net interest amount, the tax taken off can be worked out by multiplying the net interest figure by 20 and dividing the result by 80.

Do not include any amounts shown on your tax voucher as 'equalisation' (they are not subject to tax), or dividend distributions or annual payments from UK trusts in these boxes. Dividends should be entered in boxes 6 to 12.

## **Income from personal funds at Lloyd's - UK dividends**

### **UK dividends**

If you hold shares in UK companies as part of your personal funds at Lloyd's, include the total dividends received in 2007 on the *Lloyd's underwriters* pages. The information to complete the boxes can be found on the vouchers sent by companies and UK authorised unit trusts. Do not send the vouchers with your Tax Return but keep them and other records of the dividends and distributions in case they are asked for later. If you do not have a dividend voucher, ask the company, your unit trust or open-ended investment company (OEIC) manager, or the Lloyd's Members' Services Unit for one.

#### **6 Stock dividends from UK companies**

A 'stock' dividend is an offer of shares taken up in place of a cash dividend. Your dividend statement should show 'the appropriate amount in cash' on it - this is the amount you should enter in box 6.

#### **7 Notional tax credit on stock dividends from UK companies**

Enter the 'notional tax credit' amount from the statement in box 7. If you do not have this information, please ask W Yorkshire Personal Tax Unit for advice.

**8 Non-qualifying distributions**

A non-qualifying distribution is:

- a bonus issue of redeemable shares or securities by a company (except a bonus issue giving rise to a qualifying distribution), or
- the paying on of such a bonus issue by a company which has itself received it.

If you receive such a bonus issue of redeemable shares or securities, the amount of the distribution received to be entered in box 8 is:

- for redeemable shares - their nominal value plus any premium paid
- for securities - the amount of the principal secured plus any premium payable minus any new consideration given for that issue.

**9 Notional tax credit on non-qualifying distributions**

The amount of notional tax credit to be entered in box 9 is the amount of the non-qualifying distribution in box 8 divided by 10 (rounded up to the nearest pound).

If you pay tax at the starting or basic rate, there is no tax to pay on the non-qualifying distribution. If you pay tax at the higher rate, an amount of starting rate tax is treated as already paid by you and is set against your tax bill.

**10 All other dividends and qualifying distributions from UK companies**

Include here all other dividends and distributions not included in boxes 6 to 9, except Property Income Dividends. If you have accumulation units or shares where the dividend is automatically reinvested in the unit trust or open-ended investment company, you must still include the amount of the dividend and tax credit. A company makes a distribution when it passes value to a shareholder, for example:

- by selling an asset to a shareholder at under value, or
- by paying interest at more than a commercial rate on a loan from a shareholder.

Include Property Income Dividends (PIDs) from assets held as part of your personal funds at Lloyd's in box 15 and the tax credit in box 17 on page TR 3 of your Tax Return. Enter details of the PID in the 'Any other information' box, box 67.

**11 Tax credits on all other dividends and qualifying distributions from UK companies**

Your dividend voucher should show the amount of the dividend or distribution and the associated tax credit. Enter the total dividends or distributions in box 10 and the total tax credits in box 11. Explain briefly the circumstances in which the distribution arose in the 'Any other information' box, box 67 on page LU 4. Do not enter any amount shown as 'equalisation' (this is not subject to tax).

## Foreign sources income from assets in personal funds at Lloyd's

Include in this section any interest or other income received in the calendar year 2007 from non-UK assets in your personal funds at Lloyd's. Depending on the nature of the income, it may be paid without any foreign or UK tax being taken off or withheld ('gross' income), or it may be paid after foreign or UK tax has been taken off or withheld ('net' income).

If you are claiming relief for foreign tax paid as a credit against UK tax on your Lloyd's income, please read the 'foreign tax' paragraphs in Help Sheet 240 *Lloyd's underwriters* about how to complete the *Foreign* pages of the Tax Return.

**13 Non-UK interest and other foreign source income**

**to** Enter the amount of foreign interest and other income (except dividends) received  
**15** in the calendar year 2007 from foreign bank accounts, loans to organisations

outside the UK and other foreign investments or assets. If the payer has deducted foreign tax, and accounted for that tax to the overseas tax authorities on your behalf, this will usually be shown on a certificate of tax paid.

**16 Non-UK dividends**

**to** The information needed to complete these boxes will be shown on your dividend voucher. Do not include, for example, distributions in the course of liquidations, return of capital, stock dividends or bonus shares on stock issues.

**18**

Copy the total of boxes 14 and 17 to box 44 on page LU 3.

## Other Lloyd's receipts

Lloyd's profits or losses for the tax year 2007-08 include:

- income from syndicates that declared results for the 2004 account in 2007 (the declaration year basis), associated syndicate foreign tax and withdrawals and releases from Special Reserve Funds
- non-syndicate income as a result of membership of Lloyd's for the corresponding calendar year, that is, the year ended 31 December 2007 (irrespective of the account that gave rise to it).

**20 Aggregate syndicate profits**

The syndicate results are given on form CTA 1 (2004) and will be described as total Case I profit or loss:

- if the entry is a profit - enter the profit in box 20 and enter '0' in box 30
- if the entry is a loss - enter '0' in box 20 and enter the loss in box 30.

**21 Syndicate foreign tax**

Enter in box 21 the amount of syndicate foreign tax shown on your CTA 1 (2004). Copy this figure to box 47.

**22 Net withdrawal/release from Special Reserve Fund**

Enter in box 22 net withdrawals from a SRF as shown on your CTA 1 (2004). Lloyd's Members Services Unit will provide a certificate valuing the release to be assessed. If details are not available enter an estimate based on the value of remaining funds and provide an explanation in box 67 on page LU 4.

If you are completing this Return as personal representative of a deceased underwriter who died in 2008 and held assets in a SRF at death, any eventual release will be taxable in 2007-08. Any interest arising from tax on this release will however be chargeable from a later date, as though the release from the SRF had been made immediately after the end of the final tax year. You may wish to contact W Yorkshire Personal Tax Unit for further guidance.

**23 Stop loss recoveries**

Enter in box 23 the total of all personal stop loss (PSL) recoveries that are payable in respect of 2004 account losses at 31 December 2006 and earlier account run-off losses for calendar year 2006. Recoveries for losses incurred during the same periods that will become payable only when they have been called must also be included, in addition to recoveries already received. If you do not have details of the exact amounts which will be received, enter your best estimate and make a note in the 'Any other information' box, box 67 on page LU4, explaining that you have done so. Send the correct figure as soon as possible afterwards.

**24 Compensation receipts**

Compensation payments from membership of Lloyd's received in 2007 are taxable trading income of the tax year 2007-08. Compensation covers amounts awarded

as damages as a result of court action, recoveries of legal costs arising from litigation in connection with membership of Lloyd's and any sums paid in out of court settlements (other than recoveries under stop loss policies).

**25 Repayments of foreign tax previously allowed by deduction**  
Include in box 25 the sterling value of any repayments of foreign tax received in 2007 for which relief had been allowed in an earlier year by deduction from Lloyd's profits or losses. This is described as Net Operating Loss refunds on your CTA 1 (2004). The exchange rate to be used is the rate that was used to calculate the amount of double taxation relief given for the foreign tax in the earlier year. This may result in a different sterling amount from that actually received in the later year. For foreign tax repayments where relief was given as tax credit relief, see Help Sheet 240 *Lloyd's underwriters*.

**26 Other Lloyd's non-syndicate income**  
Enter the total amount of any other Lloyd's non-syndicate income received in the calendar year 2007 which has not already been entered in box 24. Describe the amounts in the 'Any other information' box, box 67 on page LU 4.

## Foreign tax repayments

**29 If you have received a repayment of foreign tax on which foreign tax credit relief was given**  
You may have received refunds of foreign tax in 2007, for example, from the carry back in the US of losses against profits of earlier years (Net Operating Losses or NOLs) which are shown on your CTA 1 (2004). For Names with no 2004 account participations, details will be reflected on the CTA 2 (2007). The treatment of these foreign tax refunds depends on how relief was originally given for the foreign tax now being refunded. Please refer to the guidance in Help Sheet 240.

## Lloyd's losses and expenses

Your 2007-08 Lloyd's taxable profit or loss includes non-syndicate expenditure paid in the corresponding calendar year, that is, 2007. Please note that personal expenses met on your behalf by syndicate managing agents (such as annual contributions to the Central Fund) are treated as syndicate expenses for tax purposes. Your tax adjusted syndicate results have already taken into account this type of expenditure and it should not be entered separately here.

**30 Aggregate syndicate losses**  
Under the declaration year basis, Lloyd's losses to be included in the Return for the tax year 2007-08 are the results for the 2004 account and runoff results to 31 December 2006 declared in 2007. If the amount shown as total Case I profit or loss on your CTA 1 (2004) is a loss enter it at box 30.

**31 Net transfer to Special Reserve Fund**  
Enter in box 31 net transfers to an SRF, as shown on your CTA 1 (2004).

**32 Stop loss premiums paid**  
Enter in box 32 the sums paid in the calendar year 2007 regardless of the account or accounts covered by the policy for which the premium is paid.

**33 Personal Quota Share and Exeat premiums paid**  
A quota share contract is one in which you make arrangements for another person to take over some or all of your rights or liabilities for any syndicate of which you are a member. Provided the quota share contract is in accordance with the rules and practice of Lloyd's, the premium paid is an allowable expense. The following

rules govern how much of the premium is allowable as a deduction, whether any further amounts can be claimed and the year in which the amounts are allowable:

- if you have paid a cash call in respect of a particular loss, and have subsequently reinsured your liabilities before that loss is declared, you may claim relief for the cash call in addition to the premium. You may claim this in the calendar year in which the contract took effect (for Estate Protection Plans see the box 34 note)
- if your syndicate declared a loss, and you reinsured that liability before the loss was called, the amount of the premium you can claim will be restricted by the amount of that declared loss
- if, unusually, the amount of the premium was less than the declared losses reinsured under the contract, the difference should be included as other non-syndicate income in box 26
- in the case of Exeat policies, any necessary adjustments will be shown on form CTA 2 (2007).

Subject to the above rules, enter the amount of the premium paid in the calendar year 2007 in box 33.

**34 Estate Protection Plan premiums paid**

An Estate Protection Plan is a special kind of policy which aims to provide unlimited cover against underwriting losses arising after death. It enables the Lloyd's deposit to be released at an early date and allows the estate to be distributed on the basis that no further underwriting cash calls would need to be met. For tax purposes, Estate Protection Plans fall within the general rules for stop loss and quota share policies. Any premiums are allowed as deductions in the calendar year in which they are paid, rather than in the year which the Plan protects. The amount you can claim in box 34 is shown on form CTA 2 (2007).

**35 Interest paid on loans to fund underwriting**

If you have taken out loans to fund underwriting losses, Lloyd's deposits and reserves, stop loss premiums or other Lloyd's personal expenses, any interest paid on the loans will in general be an allowable expense so long as you receive taxable income from membership of Lloyd's. Enter in box 35 the amounts paid in 2007. Please keep any loan interest certificate in case we ask to see it later.

If you have taken out an alternative finance arrangement to fund any of the items in the above paragraph, then the alternative finance return paid for the arrangement is treated the same way as interest on a bank loan.

Interest on unfunded losses that is recharged to you by syndicate managing agents is allowed as a deduction from syndicate results. Do not include it on these pages.

**36 Lloyd's Member's Association expenses paid**

Subscriptions to certain associations of Lloyd's members, such as the Association of Lloyd's Members, are allowed as deductions. W Yorkshire Personal Tax Unit, or the organiser of any association to which you belong, can tell you to what extent, if any, your subscription and related expenses are allowable. Enter in box 36 the amounts paid in 2007.

**37 Member's Agent profit commission and salaries**

Members' Agents' profit commission and salaries are charged and paid at the distribution date following the close of an account. For example, any profit commission for the 2004 account as shown on your CTA 2 (2007) will have been paid in June 2007 and should be entered at box 37 as an allowable deduction against 2007-08 Lloyd's profits.

Managing agents' salaries relating to an account are dealt with as part of the syndicate results so you should not enter them separately on this Return.

**38 Fees for bank guarantees/letters of credit**

Enter in box 38 the amount of annual renewal fees paid in 2007. The initial cost of setting up these arrangements is not allowed as a trading deduction, because it is a capital expense, regardless of the underwriting account to which the deposit relates.

**39 Accountancy fees**

Any fees you pay to accountants or advisers for work done in relation to working out your taxable Lloyd's profits is an allowable deduction. But you may not claim against your Lloyd's profits any fee for other accountancy work, such as Inheritance Tax planning or for other business advice. Enter in box 39 the amount of fees paid in 2007, irrespective of the year of account to which the fees relate.

**40 Other Lloyd's expenses**

Enter in box 40 the total of any additional items of personal non-syndicate expenses not claimed in boxes 30 to 39. Describe the amounts claimed in the 'Any other information' box, box 67 on page LU 4.

## Lloyd's foreign tax

This section brings together all the foreign tax details to work out your pool of Lloyd's foreign tax for 2007–08. For Lloyd's foreign tax, a pooling system operates whereby profits from membership of Lloyd's are regarded as a single item of foreign income and all foreign tax paid on that income is treated as foreign tax on that single item of foreign income.

**45 US income tax paid**

Enter in box 45 the total US tax paid shown in sterling on your CTA 1 (2004).

**46 Canadian tax paid**

Enter in box 46 the total Canadian tax paid shown in sterling on your CTA 1 (2004). For Names with no 2004 account participations, details will be reflected on the CTA 2 (2007).

**48 Additional payments of foreign tax**

In some circumstances, you may have made additional payments of foreign tax that relate to an earlier tax year, for example, tax arising from any audit adjustments to an earlier year's overseas return of Lloyd's profits. Enter in box 48 any such amounts paid in 2007.

For more information about foreign tax and relief against UK tax on Lloyd's profits see Help Sheet 240.

## Calculating Lloyd's taxable profits or losses

**50 If you made a profit Profit from box 42**

If your total Lloyd's income in box 28 is more than the total losses and expenses in box 41, enter the difference in box 42 and copy the profit figure from box 42 to box 50 in the 'Profit' column. Fill in boxes 51 to 53 as appropriate and ignore boxes 54 to 59 in the right hand column.

- 51 Foreign tax claimed as a deduction**  
If you have paid foreign tax and want to claim this as a deduction against your Lloyd's profits (rather than claim foreign tax credit relief), enter in box 51 the total foreign tax from box 49.
- 52 Lloyd's losses brought forward from earlier years used against this year's profits**  
You may deduct from this year's profits any Lloyd's losses for 2006-07 or earlier years which you claimed to carry forward against later Lloyd's profits. The maximum amount you can enter in box 52 is the profit figure in box 50.
- If you make a loss**
- 54 Loss from box 43**  
If your total losses and expenses in box 41 are more than total Lloyd's income in box 28, enter the difference in box 43 and copy the loss figure from box 43 to box 54 in the 'Loss' column. Fill in the boxes 55 to 59 as appropriate and ignore boxes 50 to 53 in the left hand column.
- 55 Foreign tax claimed as a deduction**  
If you have paid foreign tax and want to claim this as a deduction to increase your Lloyd's losses, enter in box 55 the total foreign tax from box 49.
- 56 Loss for the year 2007-08**  
This is your total Lloyd's loss relating to the 2007-08 tax year.  
If you have made a loss for 2007-08, you may be able to claim tax relief for it. Please see Help Sheet 240 for further information on Lloyd's losses. Do not use Help Sheet 227 *Losses*. In some cases you have to make claims for relief for 2007-08 losses by 31 January 2010. You should ensure that your claim is made within the time limit prescribed. Late claims cannot usually be accepted.  
If relief has already been claimed for all or part of the underwriting loss at box 56, please give details in box 67 of:
- the amount claimed
  - the year or years in which the loss was relieved
  - any amendments to your original claim.
- 57 Loss set-off against other income for 2007-08**  
You can claim relief for the loss by reducing your other taxable income for 2007-08. The loss you claim in box 57 will usually be the whole of the loss. But your total income minus deductions cannot be reduced below zero. So, the figure you put in box 57 should be no higher than your total income minus deductions.
- 58 Loss carried back to set against earlier years**  
If you want to claim relief for this loss by setting it against income of an earlier year, or years, enter the amount of the loss to be carried back in box 58.
- 59 Unused loss available to carry forward**  
If you wish to claim relief for your loss by carrying it forward to set against future profits, enter the amount of the unused loss to be carried forward in box 59. This will be the loss for the year from box 56 minus any losses set off against other income in box 57 and any carried back in box 58.  
If you converted to limited liability underwriting through a Nameco or Scottish Limited Partnership after 6 April 2004, you may be able to carry forward unused trading losses. See Help Sheet 240 for more details.

## Lloyd's losses reconciliation

Please record here the unused underwriting losses that are carried forward to set against future profits. Complete boxes 60 to 63 to arrive at the total unrelieved losses carried forward to 2008-09.

## Class 4 National Insurance contributions (NICs)

Class 4 National Insurance contributions (NICs) must be paid by all Names unless they are exempt or deferment applies. The Class 4 rate for 2007-08 is 8% of taxable profits above £5,225 to the upper limit of £34,840, and 1% thereafter.

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### If you are exempt from paying Class 4 NICs

You are exempt from paying Class 4 NICs if:

- on 6 April 2007 you were a man aged 65 or over, or a woman aged 60 or over, or
- on 6 April 2007 you were under 16, or
- during 2007-08 you were not resident in the UK for tax purposes (if you are not sure please contact us or your tax adviser).

Put 'X' in box 64 if one of these conditions applies. Do not complete box 65 (Class 4 NICs deferment) or box 66 (Class 4 NICs profit adjustment).

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### If you have been given a 2007-08 Class 4 NICs deferment certificate

If you are employed as well as self-employed, the National Insurance Contributions Office (NICO) may agree that some of your Class 4 NICs may be delayed or deferred until your overall contributions can be determined. Once your application is agreed you will receive a certificate of deferment (form CA2703). Only put 'X' in box 65 if you have already been given a certificate of deferment. If you want to apply for deferment please contact NICO on **08459 15 46 55** for an application form.

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### Adjustment to profits chargeable to Class 4 NICs

Deduct any adjustments that reduce the amount of Class NICs payable, such as Lloyd's losses from earlier years that have not yet been set against profits chargeable to Class 4 NICs. (Losses are allowable for Class 4 NICs in the same way as they are for tax.) The losses brought forward should be included in box 66 if you have no other business apart from membership of Lloyd's. If you do have another business then ask the Orderline for Help Sheet 220 *More than one business*, which gives further information.

## Further information

Help Sheet 240 *Lloyd's underwriters* provides further information on:

- foreign tax
- Personal stop loss (PSL)
- Capital Gains Tax
- conversion to limited liability underwriting
- losses
- Special Reserve Funds
- death
- members who participated in 1971
- exempt amounts.