

Insurance Premium Tax



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In the November 2016 Autumn Statement the Chancellor of the Exchequer announced that the standard rate of UK Insurance Premium Tax (IPT) will increase **from 10% to 12%**. The higher rate of IPT remains at 20% for specific types of policies.

This changes will affect most domestic personal and commercial insurance premiums which relate to risks where the period of cover begins on or after **1 June 2017**, the table below illustrates how your premium(s) will be affected.

<p>New insurance policies and renewals with cover incepting before 1 June 2017</p> <p>AND</p> <p>which are recognised in the accounts by 31 May 2018</p> <p>PLUS</p> <p>Business processed in relation to cover that incepted prior to 1 June 2017</p> <p>Additional premium in relation to cover that incepted prior to 1 June 2017</p> <p>Return premiums for policies incepted before 1 June 2017</p> <p>Premiums paid on an instalment basis, i.e. under a credit agreement or deferred scheme, subject to the first instalment being processed before 1 June 2017</p>	<p>IPT will be charged at 10%</p>
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<p>New Insurance policies and renewals with cover beginning on or after 1 June 2017</p> <p>AND</p> <p>If cover is provided via a series of policies, i.e. monthly policies, the policies incepting after 1 June 2017</p>	<p>IPT will be charged at 12%</p>
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About United Insurance Brokers

Founded in 1987, UIB is an independent, international insurance and reinsurance Lloyd's broker with headquarters in London and offices worldwide.

Within UIB the Corporate & Commercial team is a dedicated division with a wealth of experience in placing insurance policies; designing flexible insurance and risk management solutions across General Commercial, Property, Liability and Financial Lines that are reflective of the ever evolving business risks companies and investors are faced with.

Utilising the Corporate & Commercial teams unique position with access to both company markets and directly into Lloyd's of London you can be confident that your business will receive the specialist insurance advice it needs from a focused team and online at www.uibdirect.co.uk.

Stephen Palles-Clark ACII
Executive Director Corporate & Commercial Division

E: slpc@uib.co.uk
T: +44 (0)20 7338 1635

Contact us:

Christopher Bates
Associate Director

E: cjb@uib.co.uk
T: +44 (0)20 7264 1609

James Dandridge
Senior Account Executive

E: jzd@uib.co.uk
T: +44 (0)20 7338 1616

Emily Powell
Account Executive

E: exp@uib.co.uk
T: +44 (0)20 7338 1652



United Insurance Brokers Ltd

69 Mansell Street, London, E1 8AN

T: +44 (0)20 7488 0551 | **W:** www.uibgroup.com

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