

FROM: International Tax Manager, Taxation Department
LOCATION: G4/441
EXTENSION: 6860
DATE: 27 January 2003
REFERENCE: TAX/MCM/ln/Y2979
SUBJECT: **GREECE, FRANCE AND SPAIN: TAX CHANGES**
ATTACHMENTS: None
ACTION POINTS: **Underwriters and brokers to note**
DEADLINE: **Effective immediately**

1. Introduction

1.1 This bulletin advises underwriters and brokers of:

- the abolition of the stamp duty payable upon claims payments in Greece;
- a reduction in the contribution to the Fund for the Relief of Victims of Terrorism in France; and
- the introduction of a new Consorcio charge in Spain.

2. Greece – stamp duty on claims

2.1 The Greek Government has abolished the stamp duty on claims, which no longer applies to claims payments made on or after 1 January 2003.

2.2 Stamp duty does, however, continue to be payable on Greek premiums at the rate of 2.4%, with the exception of policies for reinsurance, marine hull and liability and aviation hull and liability which are exempt.

3. France – Fund for the Relief of Victims of Terrorism

- 3.1 The charge made on insurance contracts covering property and loss of profits for the Fund for the Relief of Victims of Terrorism has been reduced from €4 to €3. The new charge of €3 applies to insurance contracts incepting on or after 1 January 2003.

4. Spain – Consorcio charge

- 4.1 A new Consorcio charge will be introduced later this year for contracts of insurance that cover miscellaneous financial loss. A further bulletin will be issued when we have more information about the new charge and the date of its introduction.

5. Readership and contact details

- 5.1 This bulletin is being sent to underwriters, Lloyd's brokers and recognised auditors.

- 5.2 If you have queries please contact :

Roger Ramage – Tel: 020 7327 6852
E-mail : roger.e.ramage@lloyds.com

or

Maureen McLeod Tel: 020 7327 6860
Email: maureen.mcleod@lloyds.com

Queries regarding the abolition of Greek stamp duty on claims payments can also be addressed to :

Marianna Papadakis Tel: 020 7327 6802
Email: marianna.papadakis@lloyds.com

Maureen McLeod
International Tax Manager