

2.5 Syndicates that are reinsuring surety bonds may, if they wish, follow the Tribunal decision now and treat the reinsurance contracts as not subject to IPT. However, if Customs are successful on appeal, the IPT will become due together with interest and possibly penalties. The alternative option is to continue to tax the policies and to reclaim the IPT when the case has become final. We will issue further advice when we know whether Customs are appealing, in around two months' time.

2.6 The text of the decision will be made publicly available, and will be posted on the news section of Lloyd's taxation pages at www.lloyds.com/taxation. If you have difficulty in accessing it please contact Nick Marman on 020 7327 6727 for a copy.

3. Readership and contact details

3.1. This bulletin is being sent to all managing agents, underwriters and Lloyd's brokers. If you have any queries, please contact Nick Marman on 020 7327 6727 or email nick.marman@lloyds.com.

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