



NEWS

LIIBA selects worldwide insurance tax calculation tool for brokers

London, October 4 2010. LIIBA (the London and International Insurance Brokers' Association) is teaming up with a leading service company to help its members calculate tax payable on insurance policies around the world on a territory-by-territory basis.

The association has selected TMF IPT Quote as its preferred tool for dealing with one of the biggest concerns of buyers and underwriters of global insurance and reinsurance programmes – how to ensure compliance with premium tax laws on an international basis.

The amount of Insurance Premium Tax, VAT, GST and US Surplus lines and other taxes payable on premiums varies from jurisdiction to jurisdiction and class to class and, in some cases like the United States, there are substantial internal variations. There are also differences over who should pay the tax – the buyer, broker or underwriter. Since some rules are hard to interpret and liable to change without much notice, it is a huge challenge for brokers, insurers and their clients to be sure they have met their respective tax obligations at all times.

IPT Quote is an on-line calculation tool covering over 200 countries created by TMF VAT & IPT Services, a company with offices in 67 countries specialising in tax compliance services for the insurance industry. It enables brokers to provide quick and detailed calculations as to the tax payable on global re/insurance programmes.

"We see this as a big step forward for the London market as a whole. Global insurance premium tax is incredibly complex, and it is an issue that concerns not just brokers but our clients and underwriters as well. We believe that using IPT Quote will significantly reduce the chances of inadvertent non-compliance," said LIIBA chief executive David Hough.

LIIBA selected IPT Quote after considering the alternatives and is recommending it to all its insurance and reinsurance members. "We look forward to being of service to LIIBA members. Tax on insurance premiums is a burdensome issue, and we hope that IPT Quote will save people working in the London market a lot of time and worry," said TMF VAT & IPT Managing Director, Richard Asquith.

A survey in June by Airmic, which represents insurance buyers and risk managers, found compliance of global insurance programmes to be among members' top concerns.

Notes to editors: LIIBA represents insurance and reinsurance brokers operating in the London and international markets. Members handle in excess of £3bn of premiums through the London Market and many billions more across the world. They generate some £1.9 billion of invisible earnings for the UK economy each year.
www.liiba.co.uk

TMF VAT & IPT Services is the independent leader in tax settlement services for the insurance industry. It is part of the TMF Group, which provides global accounting and corporate secretarial services from 87 offices in 67 countries. www.tmf-vat.com

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