



Finance Act 1981

1981 CHAPTER 35

PART X

MISCELLANEOUS AND SUPPLEMENTARY

134 Special tax on banking deposits

- (1) Every person who on 10th March 1981 was carrying on a banking business in the United Kingdom shall be chargeable for the year beginning on 1st April 1981 with a tax (to be known as the special tax on banking deposits) if the average chargeable deposits held by him in the base period exceeded £15 million.
- (2) The amount of tax chargeable in the case of any person shall be equal to 2 per cent, of the excess referred to in subsection (1) above or, if the excess is more than £200 million, the aggregate of 2 per cent, of the first £200 million and 2 ½ per cent, of the remainder.
- (3) Part I of Schedule 17 to this Act shall have effect for determining the base period and the chargeable deposits held by a person in that period; and Part II of that Schedule shall have effect with respect to the management and collection of the tax.
- (4) The tax paid by a person shall not be deductible in computing his income, profits or losses for the purposes of income tax or corporation tax.
- (5) In this section and Schedule 17 references to a person carrying on a banking business do not include references to the Bank of England or the central bank of any country outside the United Kingdom.