

## SCHEDULES

### SCHEDULE 6

#### THE CATEGORIES OF PREFERENTIAL DEBTS

##### *Category 1: Debts due to Inland Revenue*

- 1 Sums due at the relevant date from the debtor on account of deductions of income tax from emoluments paid during the period of 12 months next before that date.  
  
The deductions here referred to are those which the debtor was liable to make under section 204 of the Income and Corporation Taxes Act 1970 (pay as you earn), less the amount of the repayments of income tax which the debtor was liable to make during that period.
- 2 Sums due at the relevant date from the debtor in respect of such deductions as are required to be made by the debtor for that period under section 69 of the Finance (No. 2) Act 1975 (sub-contractors in the construction industry).