



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART VI

COMPANY DISTRIBUTIONS, TAX CREDITS ETC

CHAPTER IV

TAX CREDITS

[^{F1}234A Information relating to distributions: further provisions.

- (1) This section applies where dividend or interest is distributed by a company which is—
 - (a) a company within the meaning of the Companies Act 1985 or the Companies (Northern Ireland) Order 1986, or
 - (b) a company created by letters patent or by or in pursuance of an Act.
- (2) If the company makes a payment of dividend or interest to any person, and subsection (3) below does not apply, within a reasonable period the company shall send an appropriate statement to that person.
- (3) If the company makes a payment of dividend or interest into a bank or building society account held by any person, within a reasonable period the company shall send an appropriate statement to either—
 - (a) the bank or building society concerned, or
 - (b) the person holding the account.
- (4) In a case where—
 - (a) a statement is received by a person under subsection (2) or (3)(b) above,
 - (b) the whole or part of the sum concerned is paid to or on behalf of the person as nominee for another person, and
 - (c) the nominee makes a payment of the sum or part to the other person and subsection (5) below does not apply,

Status: Point in time view as at 16/07/1992. This version of this provision has been superseded.

Changes to legislation: Income and Corporation Taxes Act 1988, Section 234A is up to date with all changes known to be in force on or before 24 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

within a reasonable period the nominee shall send an appropriate statement to that person.

(5) In a case where—

- (a) a statement is received by a person under subsection (2) or (3)(b) above,
- (b) the whole or part of the sum concerned is paid to or on behalf of the person as nominee for another person, and
- (c) the nominee makes a payment of the sum or part into a bank or building society account held by the other person,

within a reasonable period the nominee shall send an appropriate statement to either the bank or building society concerned or the other person.

(6) In the case of a payment of interest which is not a qualifying distribution or part of a qualifying distribution, references in this section to an appropriate statement are to a written statement showing—

- (a) the gross amount which, after deduction of the income tax appropriate to the interest, corresponds to the net amount actually paid,
- (b) the rate and the amount of income tax appropriate to such gross amount,
- (c) the net amount actually paid, and
- (d) the date of the payment.

(7) In the case of a payment of dividend or interest which is a qualifying distribution or part of a qualifying distribution, references in this section to an appropriate statement are to a written statement showing—

- (a) the amount of the dividend or interest paid,
- (b) the date of the payment, and
- (c) the amount of the tax credit to which a person is entitled in respect of the dividend or interest, or to which a person would be so entitled if he had a right to a tax credit in respect of the dividend or interest.

(8) In this section “send” means send by post.

(9) If a person fails to comply with subsection (2), (3), (4) or (5) above, the person shall incur a penalty of £60 in respect of each offence, except that the aggregate amount of any penalties imposed under this subsection on a person in respect of offences connected with any one distribution of dividends or interest shall not exceed £600.

(10) The Board may by regulations provide that where a person is under a duty to comply with subsection (2), (3), (4) or (5) above, the person shall be taken to comply with the subsection if the person either—

- (a) acts in accordance with the subsection concerned, or
- (b) acts in accordance with rules contained in the regulations;

and subsection (9) above shall be construed accordingly.

(11) Regulations under subsection (10) above may make different provision for different circumstances.]

Textual Amendments

- F1** S. 234A inserted (with application in relation to distributions begun after 16.7.1992) by [Finance \(No. 2\) Act 1992 \(c. 48\)](#), s. **32(1)(4)**.

Status:

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