



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 11

PAY AS YOU EARN

CHAPTER 3

PAYE: SPECIAL TYPES OF PAYER OR PAYEE

[^{F1}688AB] Workers' providing services through intermediaries etc: cases where taxes already paid

- (1) PAYE regulations may make the following provision.
- (2) Provision for an amount to be treated as having been recovered from the payee, and for that amount not to be recoverable from the payer ("the deemed employer"), where—
 - (a) the deemed employer would otherwise be liable to pay an amount under PAYE regulations in consequence of being treated under section 61N(3) as having made a deemed direct payment to a worker (other than by virtue of section 61WA), and
 - (b) an amount of income tax or corporation tax has already been paid, or assessed, in respect of income referable to that payment.
- (3) Provision for the amount referred to in the opening words of [subsection \(2\)](#) to be the best estimate which can reasonably be made by an officer of Revenue and Customs (whether generally or specifically) of the amount referred to in [subsection \(2\)\(b\)](#).
- (4) Provision preventing a person specified in PAYE regulations from—
 - (a) making a claim for the repayment of, or relief in respect of, an amount referred to in [subsection \(2\)\(b\)](#), or

Changes to legislation: *Income Tax (Earnings and Pensions) Act 2003, Section 688AB is up to date with all changes known to be in force on or before 06 June 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) View outstanding changes*

- (b) deducting, or setting off, the amount referred to in that subsection from, or against, any tax liability of the person,
in a case where an estimate of that amount is treated as having been recovered from the payee as a result of provision made by virtue of this section.
- (5) In this section, “payee” and “payer” have the same meaning as in section 684 (see subsection (7C) of that section).]

Textual Amendments

- F1** S. 688AB inserted (with effect in accordance with s. 17(2) of the amending Act) by [Finance Act 2024 \(c. 3\), s. 17\(1\)](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 452(2)(aa) inserted by [2013 c. 29 Sch. 23 para. 11](#)
- s. 707A inserted by [2024 c. 3 s. 36\(4\)](#)