



# Income Tax Act 2007

## 2007 CHAPTER 3

### PART 11

#### MANUFACTURED PAYMENTS AND REPOS

#### CHAPTER 2

#### MANUFACTURED PAYMENTS

#### *Manufactured overseas dividends*

### **581** Manufactured overseas dividends

- (1) This section applies if—
  - (a) a person (“the payer”) pays another person an amount (a “manufactured overseas dividend”) which is representative of an overseas dividend on overseas securities,
  - (b) the payer does so under a requirement of an arrangement between them for the transfer of the securities, and
  - (c) the condition in subsection (2) is met.
- (2) The condition is that—
  - (a) in a case within section 922(1) (manufactured overseas dividends: payments by UK residents etc), the amount required to be deducted as a result of that section has been deducted, or
  - (b) in a case within section 923(1) (foreign payers of manufactured overseas dividends: the reverse charge), the amount of income tax required to be accounted for and paid as a result of that section has been accounted for and paid.
- (3) Subsections (4) and (5) apply in relation to the recipient, and all persons claiming title through or under the recipient, for all relevant income tax purposes.

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*Status: Point in time view as at 01/04/2010. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Income Tax Act 2007, Section 581. (See end of Document for details)*

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- (4) The manufactured overseas dividend is treated as if it were—
  - (a) an overseas dividend of an amount equal to the gross amount of the manufactured overseas dividend, but
  - (b) paid after the withholding from it, on account of overseas tax, of the amount deducted as a result of section 922 or (as the case may be) accounted for and paid as a result of section 923.
- (5) The amount deducted or accounted for and paid is accordingly to be treated as an amount withheld on account of overseas tax instead of as an amount on account of income tax.
- (6) In this section “relevant income tax purposes” means the purposes of the Income Tax Acts as they apply in relation to—
  - (a) UK residents, and
  - (b) persons carrying on business through a branch or agency in the United Kingdom.

**Status:**

Point in time view as at 01/04/2010. This version of this provision has been superseded.

**Changes to legislation:**

There are currently no known outstanding effects for the Income Tax Act 2007, Section 581.