

Status: Point in time view as at 08/03/2017.

Changes to legislation: Finance Act 2009, SCHEDULE 54 is up to date with all changes known to be in force on or before 14 September 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)

SCHEDULES

SCHEDULE 54

Section 102

REPAYMENT INTEREST

Commencement Information

- I1** Sch. 54 in force at 31.8.2010 for specified purposes by [S.I. 2010/1878, art. 2](#)
- I2** Sch. 54 in force at 6.10.2011 for specified purposes by [S.I. 2011/2391, art. 2\(c\)](#)
- I3** Sch. 54 in force at 31.10.2011 for specified purposes by [S.I. 2011/701, art. 3\(2\)](#) (with [art. 4](#))
- I4** Sch. 54 in force at 1.2.2013 for specified purposes by [S.I. 2013/67, art. 2](#)
- I5** Sch. 54 in force at 1.10.2013 for specified purposes by [S.I. 2013/2472, art. 2](#)
- I6** Sch. 54 in force at 6.5.2014 for specified purposes by [S.I. 2014/992, art. 3\(2\)](#)
- I7** Sch. 54 in force at 1.1.2015 for specified purposes by [S.I. 2014/3269, art. 4\(1\)](#) (with [art. 4\(2\)](#))
- I8** Sch. 54 in force at 1.1.2015 for specified purposes by [S.I. 2014/3324, art. 3](#)
- I9** Sch. 54 in force at 1.4.2015 for specified purposes by [S.I. 2015/974, art. 2](#)
- I10** Sch. 54 in force at 6.4.2018 for specified purposes by [S.I. 2018/468, art. 2\(a\)](#)
- I11** Sch. 54 in force at 6.4.2019 for specified purposes by [2019 c. 1, Sch. 2 para. 31](#)

PART 1

REPAYMENT INTEREST START DATE: GENERAL RULE

Introductory

- 1 (1) This Part sets out the general rule for determining the repayment interest start date.
- (2) The general rule is subject to the special provision made by Part 2.

Repayment of amounts paid to HMRC

- 2 In the case of an amount which has been paid to HMRC, the repayment interest start date is the later of date A and (where applicable) date B.
- 3 Date A is the date on which the amount was paid to HMRC.
- 4 Date B is, in the case of an amount which—
 - (a) has been paid in connection with a liability to make a payment to HMRC, and
 - (b) is to be repaid by them,the date on which the payment became due and payable to HMRC.

Payment of amounts on return or claim

- 5 (1) In the case of an amount which—
 - (a) has not been paid to HMRC, and

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(b) is payable by virtue of a return having been filed or a claim having been made,

the repayment interest start date is the later of the dates mentioned in subparagraph (2).

(2) The dates are—

- (a) the date (if any) on which the return was required to be filed or the claim was required to be made, and
- (b) the date on which the return was in fact filed or the claim was in fact made.

PART 2

SPECIAL PROVISION AS TO REPAYMENT INTEREST START DATE

Income tax deducted at source

6 In the case of a repayment of income tax deducted at source for a tax year, the repayment interest start date is 31 January next following that year.

Carry back of losses and averaging

7 In the case of any amount which is to be repaid as a result of a claim for relief under—

- (a) paragraph 2 of Schedule 1B to TMA 1970 (carry back of loss relief from later year to earlier year), or
- (b) Chapter 16 of Part 2 of ITTOIA 2005 (claim for averaging of profits of farmers etc over two consecutive years),

the repayment interest start date is 31 January next following the year that is the later year in relation to the claim.

MIRAS

8 In the case of any payment under regulations under section 375(8) of ICTA (MIRAS: payments equivalent to deductions which could have been made), the repayment interest start date is 31 January next following the tax year in which the interest payment mentioned in section 375(8)(c) was made.

Income accumulated under certain trusts

9 In the case of a repayment made in consequence of a claim under section 228 of the Income Tax Act 1952 (relief in respect of income accumulated under trusts), the repayment is to be treated as if it were a repayment of income tax paid by the claimant for the tax year in which the contingency mentioned in that section happened.

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[^{F1}Tax on payments out of discretionary trust taxable as employment income

Textual Amendments

- F1** Sch. 54 para. 9A and cross-heading inserted (with effect in accordance with art. 4(3) of the amending S.I.) by [The Enactment of Extra-Statutory Concessions Order 2010 \(S.I. 2010/157\)](#), arts. 1, **4(2)**

- 9A. In the case of a repayment made in consequence of a claim under section 496B of ITA 2007 (relief for payments by discretionary trust taxable as employment income) the repayment interest start date is 31 January next following the end of the tax year to which the claim relates.]

[^{F2}Payments in connection with life assurance premium relief

Textual Amendments

- F2** Sch. 54 para. 9D and cross-heading inserted (with effect in accordance with art. 9(2) of the amending S.I.) by [The Enactment of Extra-Statutory Concessions Order 2011 \(S.I. 2011/1037\)](#), arts. 1, **8**

- 9D. In the case of a payment made under paragraph 6(1) of Schedule 14 to ICTA (payment where entitlement to life assurance premium relief has not been given by deduction), the repayment interest start date is 31 January next following the end of the tax year in which the entitlement to relief arose.]

Certain amounts of inheritance tax

- 10 An amount of inheritance tax which is overpaid in consequence of any of the following provisions—
- (a) section 146(1) of IHTA 1984,
 - (b) section 19 of the Inheritance (Provision for Family and Dependants) Act 1975, or
 - (c) Article 21 of the Inheritance (Provision for Family and Dependants) (Northern Ireland) Order 1979,
- does not carry repayment interest before the order mentioned in that provision is made.
- 11 In the case of an amount which is repayable on a claim under section 146(2) or 150 of IHTA 1984, the repayment interest start date is the date on which the claim is made.
- 12 In the case of an amount which is repayable under section 147(2) of IHTA 1984, the repayment interest start date is the date on which the tax was paid.

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PART 3

SUPPLEMENTARY

Attribution of repayments

- 13 (1) This paragraph applies for the purpose of determining, for the purposes of this Schedule, how a repayment to a person (“P”) in respect of income tax for a tax year is to be attributed to payments made in respect of that tax.
- (2) Such a repayment is to be attributed to payments in the following order—
- (a) first, to so much of any payment made by P under section 59B of TMA 1970 as is a payment in respect of income tax for that year,
 - (b) second, in two equal parts to each of the payments (if any) made by P under section 59A of that Act on account of income tax for that year, and
 - (c) third, to income tax deducted at source for that year.
- (3) In so far as it is attributable to a payment made in instalments, a repayment is to be attributed to a later instalment before being attributed to an earlier one.

Interpretation

- 14 In this Schedule any reference to income tax deducted at source for a tax year is a reference to—
- (a) income tax deducted (or treated as deducted) from any income, or treated as paid on any income, in respect of that year, ^{F3}...
 - ^{F3}(b)
- but does not include a reference to amounts which, in that year, are deducted at source under PAYE regulations in respect of previous years.

Textual Amendments

- F3** Sch. 54 para. 14(b) and preceding word omitted (with effect in accordance with Sch. 1 para. 73 to the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 1 para. 66\(6\)](#)

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