
Status: Point in time view as at 17/07/2014.

Changes to legislation: *There are currently no known outstanding effects for the Finance Act 2013,
Cross Heading: Deduction from interest payable on compensation. (See end of Document for details)*

SCHEDULES

SCHEDULE 11

DEDUCTION OF INCOME TAX AT SOURCE ETC

Deduction from interest payable on compensation

- 1 Chapter 3 of Part 15 of ITA 2007 (deduction from certain payments of yearly interest) is amended as follows.
- 2 In section 874 (duty to deduct from certain payments of yearly interest), after subsection (5) insert—
 - “(5A) For the purposes of subsection (1) a payment of interest which is payable to an individual in respect of compensation is to be treated as a payment of yearly interest (irrespective of the period in respect of which the interest is paid).
 - (5B) But the Commissioners for Her Majesty's Revenue and Customs may make regulations which provide that subsection (5A) does not apply in the circumstances prescribed in the regulations.”
- 3 In section 875 (interest paid by building societies), at the end insert “ unless it is treated as a payment of yearly interest by virtue of section 874(5A). ”
- 4 In section 878 (interest paid by banks), after subsection (1) insert—
 - “(1A) But that duty does apply to such a payment if it is treated as a payment of yearly interest by virtue of section 874(5A).”

Status:

Point in time view as at 17/07/2014.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2013, Cross Heading:
Deduction from interest payable on compensation.