

Status: Point in time view as at 17/07/2013.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2013, Paragraph 10. (See end of Document for details)

SCHEDULES

SCHEDULE 11

DEDUCTION OF INCOME TAX AT SOURCE ETC

Payment of interest in kind

10 After section 975 of that Act insert—

“975A Statements about certain payments of interest

- (1) Subsection (2) applies if a person makes a payment of interest of which the whole or part is in the form of goods or services or a voucher.
- (2) The person must provide the recipient of the payment with a statement showing—
 - (a) the gross amount of the payment,
 - (b) the amount of the sum deducted under any provision of Chapters 2 to 7 or under section 919 or 928 (if any),
 - (c) the actual amount paid, and
 - (d) the date on which the payment was made.
- (3) The amounts mentioned in paragraphs (a) to (c) of subsection (2) are to be calculated in accordance with section 370A of ITTOIA 2005.
- (4) Subsection (5) applies where a person—
 - (a) is treated as making a payment of an amount of interest (“the deemed interest”) by virtue of section 413 of CTA 2009 or section 380 of ITTOIA 2005 (funding bonds), and
 - (b) is under a duty under section 939(2) to retain funding bonds equal in value to income tax on the deemed interest at the basic rate.
- (5) The person must provide the recipient of the funding bonds with a statement showing—
 - (a) the gross amount of the deemed interest,
 - (b) the sum representing income tax which the person is treated under section 939(3) as having deducted by retaining funding bonds,
 - (c) the amount of the deemed interest after the deduction of that sum, and
 - (d) the date on which the deemed interest is treated as being paid.
- (6) The amount of the deemed interest is to be calculated in accordance with section 413 of CTA 2009 or section 380 of ITTOIA 2005, as the case may require.

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- (7) A statement under this section must be provided in writing to the recipient on the date that the payment is made or (as the case may be) the date that the deemed interest is treated as being paid.
- (8) The duty to comply with this section is enforceable by the recipient.
- (9) In this section—
 - (a) references to a voucher are to a voucher, stamp or similar document or token which is capable of being exchanged for money, goods or services, and
 - (b) “funding bonds” has the same meaning as in Chapter 12 (see section 939(6)).”

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