

Status: Point in time view as at 17/07/2014.

Changes to legislation: Finance Act 2014, Paragraph 16 is up to date with all changes known to be in force on or before 24 July 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 38

SCOTTISH BASIC, HIGHER AND ADDITIONAL RATES OF INCOME TAX

PART 2

CONSEQUENTIAL AMENDMENTS

- 16 (1) The Scotland Act 1998 is amended as follows.
- (2) In section 80C (power to set Scottish rate for Scottish taxpayers), for subsection (2) substitute—
- “(2) See section 6A of the Income Tax Act 2007 for provision about the calculation of those rates and section 11A of that Act for provision about the income charged at those rates.”
- (3) Section 80G (supplemental powers to modify enactments) is amended in accordance with sub-paragraphs (4) to (8).
- (4) For subsection (1) substitute—
- “(1) The Treasury may by order modify section 11A of the Income Tax Act 2007 (income charged at the Scottish basic, higher and additional rates) for the purpose of altering—
- (a) the definition of the income which is charged to income tax at the rates provided for under the section, or
- (b) the application of the section in relation to a particular class of income which is so charged.
- (1A) The Treasury may by order modify any enactment not contained in Chapter 2 of Part 2 of the Income Tax Act 2007 (rates at which income tax is charged) so that it makes provision, in relation to a Scottish taxpayer, by reference to the Scottish basic rate, the Scottish higher rate or the Scottish additional rate, instead of the basic rate, the higher rate or the additional rate.
- (1B) If the Treasury consider it necessary or expedient to do so, they may by order provide that—
- (a) the Scottish rate set by the Parliament for a tax year, or
- (b) the fact that the Scottish rate has not been so set for a tax year,
- does not require any change in the amounts repayable or deductible under PAYE regulations between the beginning of that year and such later date as may be specified in the order.”
- (5) In subsection (2), for the words from “with—” to the end substitute “ with an order under subsection (1), (1A) or (1B) ”.

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- (6) Omit subsection (3).
- (7) After subsection (4) insert—
- “(5) The power under subsection (1) does not include power to provide that any income which is—
- (a) savings income, or
- (b) dividend income which would otherwise be charged to income tax at a rate provided for under section 13 of the Income Tax Act 2007, is income which is charged to income tax at a rate provided for under section 11A of that Act.”
- (8) In section 110 (Scottish taxpayers for social security purposes), in subsection (2)—
- (a) for “basic rate” substitute “ Scottish basic rate, Scottish higher rate or Scottish additional rate (within the meaning of the Income Tax Acts) ”, and
- (b) omit the words from “(instead of” to the end.
- (9) Schedule 7 (procedure for subordinate legislation) is amended in accordance with sub-paragraphs (10) and (11).
- (10) In paragraph 1(2)—
- (a) omit the entry for section 79, and
- (b) at the appropriate place insert—
- | | |
|------------------------------|----------|
| “Section 80G(1), (1A) or (2) | Type E |
| Section 80G(1B) | Type K”. |
- (11) At the end of paragraph 1, omit the Note relating to the entry for section 79.
- (12) Sub-paragraph (8) comes into force on such day as the Secretary of State may by order made by statutory instrument appoint.
- (13) Sub-paragraphs (10)(a) and (11) come into force on such day as the Treasury may by order appoint.

Commencement Information

- II** Sch. 38 para. 16 partly in force; sch. 38 para. 16(1)-(7)(9)(10)(b)(12)(13) in force at Royal Assent, see sch. 38 para. 16(12)(13)

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