
STATUTORY INSTRUMENTS

1992 No. 15

INCOME TAX

**The Income Tax (Interest Payments)
(Information Powers) Regulations 1992**

<i>Made</i>	- - - -	<i>8th January 1992</i>
<i>Laid before Parliament</i>		<i>9th January 1992</i>
<i>Coming into force</i>	- -	<i>30th January 1992</i>

The Commissioners of Inland Revenue, in exercise of the powers conferred on them by sections 17(5) and (6) and 18(3B) and (3C) of the Taxes Management Act 1970⁽¹⁾, and section 92(7) and (8) of the Finance Act 1990⁽²⁾, hereby make the following Regulations:

Citation, commencement and effect

1. These Regulations may be cited as the Income Tax (Interest Payments) (Information Powers) Regulations 1992, shall come into force on 30th January 1992 and shall have effect with respect to payments made in the year 1991-92 and subsequent years of assessment.

Interpretation

2. In these Regulations unless the context otherwise requires—

“account-holder” means the holder of an account in relation to which a payment is made;

“the Board” means the Commissioners of Inland Revenue;

“deposit-taker” has the meaning given by section 481(2) of the Taxes Act⁽³⁾;

“the Deposit-takers Regulations” means the Income Tax (Deposit-takers) (Interest Payments) Regulations 1990⁽⁴⁾;

“the Management Act” means the Taxes Management Act 1970;

(1) 1970 c. 9; section 17 was amended by section 123 of the Finance Act 1988 (c. 39) and by section 92(2) and (3) of and Part V of Schedule 19 to the Finance Act 1990 (c. 29). Section 18 was amended by paragraph 7 of Schedule 29 to the Income and Corporation Taxes Act 1988 (c. 1), section 123(3) of and Part IV of Schedule 14 to the Finance Act 1988, section 92(5) and (6) of the Finance Act 1990 and paragraph 5 of Schedule 11 to the Finance Act 1991 (c. 31).

(2) 1990 c. 29.

(3) Section 481(2) was amended by paragraph 8 of Schedule 5 and Part IV of Schedule 19 to the Finance Act 1990.

(4) S.I. 1990/2232.

“payment” means a payment of interest and, in relation to a payment in respect of which further information may be required to be contained in a section 17 return pursuant to these Regulations, includes “credit”;

“section 17(1)” and “section 18(1)” means sections 17(1) and 18(1) respectively of the Management Act;

“section 17 return” means a return under section 17(1);

“section 18 information” means information required to be furnished under section 18(1);

“the Taxes Act” means the Income and Corporation Taxes Act 1988(5);

“year” means a year beginning with 6th April in any year and ending with 5th April in the following year.

Introductory

3. These Regulations—

- (a) provide that a section 17 return shall contain such further information as is prescribed by the Regulations if the notice requiring the return specifies that information and requires it to be contained in the return;
- (b) provide that a person required to furnish section 18 information shall furnish at the same time such further information as is prescribed by the Regulations if the notice concerned specifies that information and requires it to be so furnished;
- (c) provide that in certain cases a notice under section 17(1) or section 18(1) shall not require prescribed further information;
- (d) in prescribing that further information make different provision as between—
 - (i) cases where payments are made in circumstances where a certificate has been given under regulation 5 of the Deposit-takers Regulations, and
 - (ii) other cases;
- (e) make provision for the form in which section 18 information and information required to be furnished with section 18 information in those cases shall be furnished.

Requirement and conditions for further information

4.—(1) Subject to the conditions specified in paragraph (2), a section 17 return shall contain such further information as is prescribed by regulations 5(3) and 6(2) and a person required to furnish section 18 information shall furnish at the same time such further information as is prescribed by regulations 5(3) (b) and 6(2).

(2) The conditions specified in this paragraph are that—

- (a) as regards a section 17 return, the notice under section 17(1) requiring the return specifies the further information referred to in paragraph (1) and requires it to be contained in the return;
- (b) as regards section 18 information, the notice under section 18(1) requiring the section 18 information to be furnished specifies the further information referred to in paragraph (1) and requires it to be furnished at the same time as the section 18 information.

(3) In the cases specified in paragraph (4), a notice under section 17(1) shall not require the further information to be contained in a section 17 return, and a notice under section 18(1) shall not require the further information to be furnished at the same time as section 18 information.

(4) The cases specified in this paragraph are payments made in respect of an account which is a tax-exempt special savings account for the purposes of section 326A of the Taxes Act.(6)

Further information—cases where certificate of non-liability to tax is given

5.—(1) Paragraph (3) prescribes in relation to the cases specified in paragraph (2) the further information which, subject to regulation 4, is required to be contained in a section 17 return or to be furnished at the same time as section 18 information.

(2) The cases specified in this paragraph are where a payment is made in circumstances in which a certificate has been given under regulation 5 of the Deposit-takers Regulations that the person beneficially entitled to the payment is unlikely to be liable to pay any amount by way of income tax for the year in which the payment is made.

(3) The further information prescribed by this paragraph is—

- (a) as regards information to be contained in a section 17 return, the name and address of the person or, if more than one, each person by or on behalf of whom a certificate has been given in connection with the payment (in sub-paragraph (b) referred to as “the beneficiary”) if other than the person or persons to whom the payment was made;
- (b) as regards information to be contained in a section 17 return or to be furnished at the same time as section 18 information—
 - (i) the date of birth of the beneficiary;
 - (ii) the national insurance number of the beneficiary if furnished to the deposit-taker pursuant to regulation 5 of, and the Schedule to, the Deposit-takers Regulations;
 - (iii) notification of the fact that the account in respect of which the payment was made is or was one in connection with which a certificate or certificates had been given which had not ceased to be valid at the 5th April in the year in which the payment was made or at the date of closure of the account, if earlier in that year;
 - (iv) the reference number of the account referred to in paragraph (iii) and, where necessary for identifying the account, the branch of the payer where the account is held;
 - (v) where the payment was made to two or more account-holders each of whom was beneficially entitled to the payment, notification of that fact and, if known, the number of such persons;
 - (vi) if furnished to the deposit-taker in connection with the account, the dates of birth and national insurance numbers of persons referred to in paragraph (v) other than the beneficiary referred to in paragraphs (i) and (ii);
 - (vii) where a certificate was given by or on behalf of one or more, but not all, of the persons referred to in paragraph (v) and had not ceased to be valid at the 5th April in the year in which the payment was made or at the date of closure of the account, if earlier in that year, notification of those facts;
 - (viii) where the payment was the first payment made in respect of an account, notification of that fact;
 - (ix) where the payment was in a currency other than sterling and the amount of the payment is recorded in that currency in a section 17 return or as part of section 18 information, notification of the fact that the amount is so recorded and specification of the currency concerned.

(6) Section 326A was inserted by section 28 of the Finance Act 1990.

Further information—other cases

6.—(1) Paragraph (2) prescribes in relation to cases to which regulation 5 does not apply the further information which, subject to regulation 4, is to be contained in a section 17 return or to be furnished with section 18 information.

- (2) The further information prescribed by this paragraph is—
- (a) the reference number of the account in respect of which a payment was made and, where necessary for identifying the account, the branch of the payer where the account is held;
 - (b) where a payment was made to two or more account-holders each of whom was beneficially entitled to the payment, notification of that fact and, if known, the number of such persons;
 - (c) if furnished in connection with the account, the date of birth and national insurance number of the person or, where sub-paragraph (b) applies, each person to whom a payment was made;
 - (d) where a payment made in the course of the year was the first payment in respect of an account, notification of that fact;
 - (e) where a payment was in a currency other than sterling and the amount of the payment is recorded in that currency in a section 17 return or as part of section 18 information, notification of the fact that the amount is so recorded and specification of the currency concerned.

Form of information to be furnished

7. Where a notice under section 18(1)—
- (a) requires section 18 information to be furnished, or
 - (b) specifies the further information prescribed by regulations 5(3) (b) and 6(2) and requires it to be furnished with section 18 information, and
 - (c) specifies the form in which information within paragraph (a) or (b) is to be furnished,
- the information shall be furnished in that form.

*A. M. W. Battishill
L. J. H. Beignton*

8th January 1992

Two of the Commissioners of Inland Revenue

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which come into force on 30th January 1992, provide, as regards payments of interest made in the year 1991-92 and subsequent years of assessment that subject to certain conditions, are turn of payments of interest by banks and certain other persons under section 17 of the Taxes Management Act 1970 (“section 17”) shall contain such further information as is prescribed by the Regulations. The Regulations also provide that a person required to furnish information under section 18 of that Act (“section 18”) relating to payments of interest shall furnish at the same time such further information as is prescribed by the Regulations. In prescribing the further information the Regulations make different provision as between cases where payments of interest are made without deduction of tax to persons by or on behalf of whom a certificate of non-liability to tax has been given under the Income Tax (Deposit-Takers) (Interest Payments) Regulations 1990 (S.I.1990/2232), and other cases. The Regulations also provide that a notice under section 17 or section 18 shall not require further information in relation to payments of interest made in respect of a tax-exempt special savings account, and make provision for the form in which information under section 18 and the further information to accompany that information is to be furnished.

Regulation 1 provides for citation, commencement and effect.

Regulation 2 contains definitions.

Regulation 3 is introductory.

Regulation 4 requires, subject to conditions, a return under section 17 to contain further prescribed information and a person to furnish further prescribed information with information required to be furnished under section 18, and provides that such further information shall not be required in the case of payments of interest made in respect of a tax-exempt special savings account.

Regulation 5 prescribes the further information required in cases where a certificate of non-liability to tax has been given.

Regulation 6 prescribes the further information required in other cases.

Regulation 7 makes provision for the form in which information under section 18 or the further information to accompany that information shall be furnished.