

EXPLANATORY NOTE

(This note is not part of the Order)

This Order applies section 63 (2) of the Finance Act 1995 (“section 63 (2)”) in relation to tax-exempt special savings accounts opened after 1st January 1996. Section 63 (2) amended section 326A(4) of the Income and Corporation Taxes Act 1988 (c. 1) by adding relevant European institutions to the societies and institutions with which tax-exempt special savings accounts may be held. A relevant European institution for this purpose is a European authorised institution within the meaning of the Banking Co-ordination (Second Council Directive) Regulations 1992 (S.I.1992/3218 amended by S.I. 1993/3225 and 1995/1217).