
STATUTORY INSTRUMENTS

1996 No. 1780

**The Income Tax (Paying and
Collecting Agents) Regulations 1996**

Returns and payment of tax

Quarterly returns by paying agents

7.—(1) Not later than 30 days after the end of a quarter, a paying agent shall make a return to the Board, in the form provided by the Board, setting out the particulars specified in paragraph (2) and containing the declaration specified in paragraph (3).

(2) The particulars specified are—

- (a) the total of the chargeable payments made by him in that quarter;
- (b) the total of any relevant payments made by him in that quarter which would have been chargeable payments but for the provisions of section 118D(1)(a);
- (c) the total of any relevant payments made by him in that quarter which would have been chargeable payments but for the provisions of section 118G;
- (d) the total amount of any tax for which he is liable to account in respect of that quarter pursuant to section 118E(1).

(3) The declaration specified is a declaration by the paying agent that the particulars given in the return are to the best of his knowledge and belief correct and complete.

Quarterly returns by collecting agents

8.—(1) Not later than 30 days after the end of a quarter, a collecting agent shall make a return to the Board, in the form provided by the Board, setting out the particulars specified in paragraph (2) and containing the declaration specified in paragraph (3).

(2) The particulars specified are—

- (a) the total of the chargeable receipts received or arising in that quarter by virtue of the collecting agent's performance of a relevant function, in respect of which he is liable to account for tax pursuant to section 118E(3);
- (b) the total of any relevant receipts received or arising in that quarter by virtue of his performance of a relevant function, which would have been chargeable receipts but for the provisions of section 118D(2)(a) or (b);
- (c) the total of any relevant receipts received or arising in that quarter by virtue of his performance of a relevant function, which would have been chargeable receipts but for the provisions of section 118G;
- (d) the total amount of any tax for which he is liable to account in respect of that quarter pursuant to section 118E(3).

(3) The declaration specified is a declaration by the collecting agent that the particulars given in the return are to the best of his knowledge and belief correct and complete.

Assessment in respect of unpaid tax

9.—(1) If it appears to the Board that there is an amount of tax due and payable under section 118F(2) which has not been paid by a paying agent or a collecting agent, or if the Board are dissatisfied with a quarterly return under regulation 7 or 8, they may make an assessment on the agent concerned in respect of the amount which they consider to be due and payable.

(2) The agent on whom an assessment is made by virtue of paragraph (1) may, not later than 30 days after the date of issue of the assessment, by notice to the Board appeal against that assessment.

(3) The appeal shall be to the Special Commissioners.

Notices by the Board to paying or collecting agents

10.—(1) Where the Board are satisfied that relevant payments made by a paying agent are not chargeable payments, or relevant receipts received or arising by virtue of a collecting agent's performance of a relevant function are not chargeable receipts, they may by notice to the paying agent or collecting agent concerned direct that relevant payments made, or (as the case may be) relevant receipts received or arising, after the expiry of the period of 30 days following the date of issue of the notice are not chargeable payments or chargeable receipts.

(2) Where the Board have reason to believe that—

- (a) a depositary, or an eligible person or an appropriate person, has failed to comply with the requirements of regulation 14, or
- (b) a paying agent or a collecting agent has failed to comply with the requirements of regulation 11, 12 or 16, or
- (c) relevant payments made by a paying agent are chargeable payments, or relevant receipts received or arising by virtue of a collecting agent's performance of a relevant function are chargeable receipts,

they may by notice to the paying agent or collecting agent concerned direct that relevant payments made, or (as the case may be) relevant receipts received or arising, after the expiry of the period of 30 days following the date of issue of the notice are chargeable payments or chargeable receipts.

(3) Where the Board issue a notice under paragraph (2), any declaration under regulation 3 or 4 which relates to any of the relevant payments or relevant receipts referred to in the notice, whether the declaration is made before or after the date of issue of the notice, shall be of no effect.

(4) A paying agent or a collecting agent in respect of whom a notice is issued by the Board under paragraph (2) may, not later than 30 days after the date of issue of the notice, appeal against that notice by notice to the Board.

(5) The appeal shall be to the Special Commissioners who shall confirm the notice appealed against unless they are satisfied that the notice ought to be quashed.