
STATUTORY INSTRUMENTS

1998 No. 1461

**The Air Passenger Duty and Other Indirect
Taxes (Interest Rate) Regulations 1998**

Applicable rate of interest payable by the Commissioners of Customs and Excise in connection with air passenger duty, insurance premium tax, cases of official error in relation to VAT and landfill tax

5.—(1) For the purposes of—

- (a) paragraph 9 of Schedule 6 to the Finance Act 1994,
- (b) paragraph 22 of Schedule 7 to that Act,
- (c) section 78 of the Value Added Tax Act 1994, and
- (d) paragraph 29 of Schedule 5 to the Finance Act 1996,

the rate applicable under section 197 of the Finance Act 1996 shall be 6 per cent. per annum.

(2) Where, on a reference day after the coming into force of these Regulations, the reference rate found on that date differs from the established rate, the rate applicable under section 197 for the purposes of the enactments referred to in paragraph (1) above shall, from the next operative day, be the percentage per annum determined in accordance with the formula specified in paragraph (3) below.

(3) The formula specified in this paragraph is—

$$RR - 1,$$

where

RR is the reference rate referred to in paragraph (2) above.