

**2002 No. 1968**

**INCOME TAX**

**The Income Tax (Prescribed Deposit-takers) Order 2002**

<i>Made</i> - - - - -	<i>25th July 2002</i>
<i>Laid before the House of Commons</i>	<i>25th July 2002</i>
<i>Coming into force</i> - - - - -	<i>1st October 2002</i>

The Treasury, in exercise of the powers conferred upon them by sections 481(2)(f) and 482(10) of the Income and Corporation Taxes Act 1988(a) hereby make the following Order:

**Citation and commencement**

1. This Order may be cited as the Income Tax (Prescribed Deposit-takers) Order 2002 and shall come into force on 1st October 2002.

**Prescribed deposit-takers**

2.—(1) For the purposes of section 481(2)(f) of the Income and Corporation Taxes Act 1988, a person who is authorised for the purposes of the Financial Services and Markets Act 2000(b) and whose business consists wholly or mainly of dealing in financial instruments as principal is a class of person prescribed in relation to all relevant deposits.

(2) In paragraph (1) above—

“financial instruments” has the same meaning as in section 349(5) and (6) of the Income and Corporation Taxes Act 1988(c);

“relevant deposits” has the same meaning as in section 481(4) of that Act(d).

*Ian Pearson*  
*Jim Fitzpatrick*

25th July 2002

Two of the Lords Commissioners of Her Majesty’s Treasury

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(a) 1988 c. 1.

(b) 2000 c. 8.

(c) Section 349(5) and (6) was inserted by section 95 of the Finance Act 2002 (c. 23).

(d) Section 481(4) was amended by section 86(1) of the Finance Act 1995 (c. 4).

## EXPLANATORY NOTE

*(This note is not part of the Order)*

Section 481(2) of the Income and Corporation Taxes Act 1988 (“the Act”) defines “deposit-taker” and includes any person or class of person who receives deposits in the course of his business or activities and which is for the time being prescribed by order made by the Treasury for the purposes of section 481(2)(f). Section 482(10) of the Act provides that an order under section 481(2)(f) may prescribe a person or class of person in relation to all relevant deposits or only in relation to relevant deposits of a kind specified in the order.

This Order, which comes into force on 1st October 2002, prescribes persons who are authorised for the purposes of the Financial Services and Markets Act 2000 and whose business consists wholly or mainly of dealing in financial instruments as principal for the purposes of section 481(2)(f) of the Act in relation to all relevant deposits, so that interest paid to individual depositors by such persons will be subject to the rules regulating deduction of tax at source.

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