
STATUTORY INSTRUMENTS

2003 No. 2682

The Income Tax (Pay As You Earn) Regulations 2003

PART 7

SPECIAL CASES

CHAPTER 3

HOLIDAY PAY FUNDS

Interpretation of Chapter 3

134. In this Chapter—

“fund” means a person who pays holiday pay—

- (a) to an individual who is not employed by the person, or
- (b) in respect of such an individual who has died;

“holiday pay” means—

- (a) any payment received by an individual in exchange for a voucher, stamp or similar document purchased by a person who employs (or employed) that individual for any holiday period, or
- (b) if such an individual has died, any payment received by a person claiming in respect of that individual’s right to such a payment;

“recipient” means a person who is paid holiday pay.

Commencement Information

I1 [Reg. 134](#) in force at 6.4.2004, see [reg. 1](#)

Application of other Parts

135.—(1) Parts 2 (codes) and 3 (deduction and repayment of tax) do not apply to holiday pay.

(2) The rest of these Regulations apply as if the Inland Revenue had issued the basic rate code in respect of holiday pay.

Commencement Information

I2 [Reg. 135](#) in force at 6.4.2004, see [reg. 1](#)

Status: Point in time view as at 06/04/2015.

Changes to legislation: There are currently no known outstanding effects for the The Income Tax (Pay As You Earn) Regulations 2003, CHAPTER 3. (See end of Document for details)

Deduction of tax

136. On making any payment of holiday pay to a recipient, a fund must deduct income tax at the basic rate in force at the time the payment is made.

Commencement Information

I3 [Reg. 136](#) in force at 6.4.2004, see [reg. 1](#)

Certificate of tax deducted

137.—(1) On making any payment of holiday pay, a fund must give the recipient a certificate showing the following particulars.

- (2) The particulars are—
- (a) the recipient's name,
 - (b) the recipient's national insurance number, if known,
 - (c) the tax year in which the payment is made,
 - (d) the date of the payment,
 - (e) the amount of the payment, and
 - (f) the amount of tax deducted on making the payment.

Commencement Information

I4 [Reg. 137](#) in force at 6.4.2004, see [reg. 1](#)

Repayment to recipient during tax year

138.—(1) A fund must not repay tax deducted from a payment of holiday pay to a recipient.

(2) If a recipient applies for a repayment of tax deducted from holiday pay, the Inland Revenue may make such repayment at any time during the tax year as may be appropriate.

- (3) In deciding what is appropriate the Inland Revenue must have regard to—
- (a) the holiday pay of the recipient for the period from the beginning of the tax year up to and including the date of the application,
 - (b) the amount of tax deducted from the holiday pay as evidenced by certificates supplied under regulation 137,
 - (c) any entitlement of the recipient to relief from income tax, and
 - (d) the recipient's other PAYE income for the tax year and, unless the recipient objects, the recipient's income for the tax year from all other sources, and liability to tax on that income, as estimated by the Inland Revenue.

Commencement Information

I5 [Reg. 138](#) in force at 6.4.2004, see [reg. 1](#)

Particulars that fund must record

139.—(1) A fund must record, in a deductions working sheet, the following particulars about every payment of holiday pay made to a recipient.

(2) The particulars are—

- (a) the recipient's name,
- (b) the recipient's national insurance number, if known,
- (c) the tax year to which the deductions working sheet relates,
- (d) the date of the payment,
- (e) the amount of the payment, and
- (f) the amount of tax (if any) deducted on making the payment.

Commencement Information

I6 [Reg. 139](#) in force at 6.4.2004, see [reg. 1](#)

Other PAYE income of recipient

140. Nothing in this Chapter affects the application of these Regulations to any other PAYE income of a recipient.

Commencement Information

I7 [Reg. 140](#) in force at 6.4.2004, see [reg. 1](#)

Status:

Point in time view as at 06/04/2015.

Changes to legislation:

There are currently no known outstanding effects for the The Income Tax (Pay As You Earn) Regulations 2003, CHAPTER 3.