
STATUTORY INSTRUMENTS

2004 No. 851

**The Income Tax (Pay As You Earn)
(Amendment) Regulations 2004**

Amendment of the Income Tax (Pay As You Earn) Regulations 2003

6. After regulation 81 insert—

“Employee’s appeal against direction notice

81A.—(1) An employee may appeal against a direction notice under regulation 81(4A)

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- (a) by notice to the Inland Revenue,
 - (b) within 30 days of the issue of the direction notice,
 - (c) specifying the grounds of the appeal.
- (2) For the purpose of paragraph (1) the grounds of appeal are that—
- (a) in relation to condition A in regulation 81, the employee did not receive the payments knowing that the employer wilfully failed to deduct the amount of tax which should have been deducted from those payments,
 - (b) in relation to condition B in regulation 81, the relevant payment was not a notional payment, or
 - (c) the excess is incorrect.
- (3) On an appeal under paragraph (1) the Commissioners may—
- (a) if it appears to them that the direction notice should not have been made, set aside the notice; or
 - (b) if it appears to them that the amount of tax specified in the direction notice is incorrect, increase or reduce the amount specified in the notice accordingly.
- (4) Regulation 72D applies to appeals under this regulation.”.