
STATUTORY INSTRUMENTS

2010 No. 157

The Enactment of Extra-Statutory Concessions Order 2010

Discretionary payments by trustees: other provisions

4.—(1) In section 824(3) of the Income and Corporation Taxes Act 1988(1) (repayment supplements: individuals and others)—

(a) after paragraph (ab) insert—

“(ac) if the repayment is a repayment as a result of a claim under section 496B of ITA 2007(2) (relief for payments by discretionary trust taxable as employment income), the relevant time is the 31 January next following the end of the tax year to which the claim relates;”, and

(b) in paragraph (a)(ii), insert at the end “(other than a repayment within paragraph (ac))”.

(2) In Part 2 of Schedule 54 to the Finance Act 2009(3) (repayment interest: special provision as to repayment interest start date), after paragraph 9 insert—

“Tax on payments out of discretionary trust taxable as employment income

9A. In the case of a repayment made in consequence of a claim under section 496B of ITA 2007(4) (relief for payments by discretionary trust taxable as employment income) the repayment interest start date is 31 January next following the end of the tax year to which the claim relates.”.

(3) The amendments made by this article have effect for the tax year 2010-11 and subsequent tax years.

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- (1) 1988 c. 1. Section 824(3) has been amended by section 196 of and Schedule 19 (paragraph 41(2)) to the Finance Act 1994 (c. 9), section 92 of the Finance Act 1997 (c. 16), section 41 of the Finance Act 1999 (c. 16), and section 90 of the Finance Act 2001 (c. 9).
- (2) Section 831 of the Income and Corporation Taxes Act 1988 (c. 1) defines “ITA 2007” as meaning the Income Tax Act 2007.
- (3) 2009 c. 10. Sections 101 to 104 of, and Schedules 53 and 54 to, the Finance Act 2009 contain a new regime for the payment of interest, including interest on sums to be paid by Her Majesty’s Revenue and Customs. The new regime will come into force on such day or days as the Treasury may by order appoint (section 104(3)). The new regime will replace existing provisions about interest, including section 824 of the Income and Corporation Taxes Act 1988 (c. 1). Schedule 54 includes a restatement of provisions of that section, which is expected to be repealed by order (section 104(5) and (6)).
- (4) Section 126 of the Finance Act 2009 (c. 10) defines “ITA 2007” as meaning the Income Taxes Act 2007.