
EXPLANATORY NOTE

(This note is not part of the Order)

This Order appoints 1st April 2015 as the day on which those parts of the interest regime set out in sections 101 to 103 of the Finance Act 2009 about late payment and repayment interest come into force in relation to diverted profits tax. Diverted profits tax is a new tax introduced by Part 3 of the Finance Act 2015.

Section 101 applies late payment interest to any sum due by virtue of an enactment to HM Revenue and Customs (HMRC) but paid late. Schedule 53 to the Finance Act 2009 makes special provision in relation to section 101 concerning the amounts, start date and end dates for charging late payment interest as well as further provisions to clarify the effect of late payment interest on certain reliefs.

Section 102 applies repayment interest to any amount payable by HMRC to any person by virtue of an enactment. Schedule 54 to the Finance Act 2009 makes special provision in relation to section 102 concerning the amounts, and start date, for the accrual of repayment interest.

The current applicable rates in respect of late payment interest and repayment interest are set out in the Taxes and Duties, etc (Interest Rate) Regulations 2011 ([S.I. 2011/2446](#)). These Regulations were made in exercise of the powers conferred by section 103 of the Finance Act 2009.

A Tax Information and Impact Note has not been prepared for this instrument as it gives effect to previously announced policy and is an appointed day order.