
STATUTORY RULES OF NORTHERN IRELAND

2007 No. 149

RATES

**The Rates (Payment of Interest)
Regulations (Northern Ireland) 2007**

Made - - - - - *9th March 2007*

Coming into operation *1st April 2007*

The Department of Finance and Personnel⁽¹⁾ makes the following Regulations in exercise of the powers conferred by Article 15A of the Rates (Northern Ireland) Order 1977⁽²⁾.

Citation and commencement

1. These Regulations may be cited as the Rates (Payment of Interest) Regulations (Northern Ireland) 2007 and shall come into operation on 1st April 2007.

Interpretation

2. In these Regulations—

“the 1977 Order” means the Rates (Northern Ireland) Order 1977;

“business day” means any day except a Saturday, Sunday, Christmas Day, Good Friday or a day which is a bank holiday under the Banking and Financial Dealings Act 1971⁽³⁾ in Northern Ireland;

“crediting” means crediting against subsequent liability to a rate; and

“repayment” means a repayment or, as the case may be, a crediting by the Department of any amount paid on account of a rate but does not include such a repayment or crediting under –

- (a) Article 11(4)(b) or 33B⁽⁴⁾ of the 1977 Order;
- (b) a scheme under section 122(1) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992⁽⁵⁾ for the provision of housing benefit; or

(1) Formerly the Department of Finance; See S.I. 1982/338 (N.I. 6) Article 3
(2) S.I. 1977/2157 (N.I.28); Article 15A was inserted by Article 34 of the Rates (Amendment) (Northern Ireland) Order 2006 (S.I. 2006/2954 (N.I.18))
(3) 1971c.80
(4) Article 33B was inserted by Article 8 of the Rates (Amendment) (Northern Ireland) Order, S.I. 2004/703 (N.I.4) and was amended by Article 10 of the Rates (Capital Values, etc.) (Northern Ireland) Order 2006 S.I. 2006/611 (N.I.4) and by paragraph 17 of Schedule 2 to the Rates (Amendment) (Northern Ireland) Order 2006
(5) 1992c.7

- (c) a rate relief scheme under Article 30A(6) of the 1977 Order.

Payment of interest

3.—(1) Where the Department makes a repayment it shall pay or credit (according to whether the repayment is repaid or credited) an additional amount by way of interest on the repayment determined in accordance with paragraph (2).

(2) The additional amount payable by way of interest under paragraph (1) shall be determined on a day to day basis between—

- (a) the date on which the Department received the amount which is repaid or, if later, 31st March 2007; and
- (b) the date on which the Department repays that amount,

and the annual rate of interest shall be one percentage point less than the standard rate.

(3) For the purposes of paragraph (2)—

- (a) the standard rate, in relation to a year or part of a year, is the base rate quoted by the reference banks and effective on 15th March (or, if that day is not a business day, the next business day) of the preceding year; or, if different base rates are quoted and so effective, the rate which, when the base rate quoted by each bank is ranked in a descending sequence of seven, is fourth in the sequence;
- (b) the reference banks, in relation to any 15th March, are the seven largest persons who—
 - (i) have permission under Part 4 of the Financial Services and Markets Act 2000(7) to accept deposits,
 - (ii) are incorporated in the United Kingdom and carrying on there a regulated activity of accepting deposits, and
 - (iii) quote a base rate in sterling effective as mentioned in sub-paragraph (a); and
- (c) the size of a person is to be determined by reference to its total consolidated gross assets denominated in sterling, as shown in its audited end-year accounts last published before the relevant 15th March.

(4) In paragraph (3)(c), the reference to the consolidated gross assets of a person is a reference to the gross assets of that institution together with any subsidiary (within the meaning of section 736 of the Companies Act 1985(8) or, as the case may be, Article 4 of the Companies (Northern Ireland) Order 1986(9)).

(5) Paragraph (3)(b) must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.

(6) Article 30A was inserted by Article 14 of the Rates (Amendment) (Northern Ireland) Order 2006

(7) 2000c.8

(8) 1985 c.6; section 736 was substituted by section 144(1) of the Companies Act 1989, 1989c.40

(9) S.I. 1986/1032 (N.I.6); Article 4 was substituted by Article 62(1) of the Companies (No.2) (Northern Ireland) Order 1990, S.I. 1990/1504 (N.I. 10)

Sealed with the Official Seal of the Department of Finance and Personnel on 9th March 2007



Brian McClure
A senior officer of the Department of Finance
and Personnel

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations provide, subject to exceptions, for the payment of interest where the Department of Finance and Personnel repays an amount paid on account of a rate or credits such an amount against a subsequent liability to rates.

The exceptions are repayments or credits arising out of –

- (a) an appeal to the county court under Article 11 of the Rates (Northern Ireland) Order 1977 against a rate;
- (b) an award of hardship relief under Article 33B of that Order; or
- (c) an award under the housing benefit scheme or a rate relief scheme made under Article 30A of that Order.