



Income and Corporation Taxes Act 1970

1970 CHAPTER 10

PART XIX

SUPPLEMENTAL

Income tax provisions

520 Application of Income Tax Acts from year to year

In order to ensure the collection in due time of income tax which may be granted for any year commencing on 6th April, all such provisions contained in the Income Tax Acts as were in force on the preceding day shall have full force and effect with respect to tax which may be so granted, in the same manner as if the said tax had been actually granted by Act of Parliament and the said provisions had been applied thereto by the Act.

521 Under-deductions from payments made before passing of annual Act

- (1) Where, in any year of assessment, any half-yearly or quarterly payments have been made on account of any interest, dividends or other annual profits or gains, previously to the passing of the Act imposing income tax for that year, and tax has not been charged thereon or deducted therefrom, or has not been charged thereon or deducted therefrom at the rate ultimately imposed for the said year, the amount not so charged or deducted shall be charged under Schedule D in respect of those payments, as profits or gains not charged by virtue of any other Schedule, under Case VI of Schedule D, and the agents entrusted with the payment of the interest, dividends or other annual profits or gains shall furnish to the Board a list containing the names and addresses of the persons to whom payments have been made and the amount of those payments, upon a requisition made by the Board in that behalf.
- (2) Any person liable to pay any rent, interest or annuity, or to make any other annual payment, shall be authorised to make any deduction on account of income tax for any year of assessment which he has failed to make previously to the passing of the Act imposing the tax for that year, or to make up any deficiency in any such deduction

Status: This is the original version (as it was originally enacted).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

which has been so made, on the occasion of the next payment of the rent, interest or annuity or making of the other annual payment after the passing of the Act so imposing the tax, in addition to any other deduction which he may be by law authorised to make, and shall also be entitled, if there is no future payment from which the deduction may be made, to recover the sum which might have been deducted as if it were a debt due from the person as against whom the deduction could originally have been made if the Act imposing the tax for the year had been in force.

- (3) Subsection (2) above shall apply with respect to—
- (a) any preference dividend from which a deduction of tax may be made under section 232(3) of this Act (Schedule F), and
 - (b) any payment for or in respect of copyright to which section 391 of this Act (copyrights owned by persons whose usual place of abode is abroad) applies, and
 - (c) any royalty or other sum paid in respect of the user of a patent, and
 - (d) any rent, royalty or other payment which by section 156 or 157 of this Act (mining etc. rents and royalties) is declared to be subject to deduction of tax under Part II of this Act as if it were a royalty or other sum paid in respect of the user of a patent,
- as it applies with respect to any rent, interest, annuity or any other annual payment.

522 Over-deductions from interest on loan capital or preference dividends made before passing of annual Act

If, in any year of assessment, a resolution having statutory effect under the Provisional Collection of Taxes Act 1968 provides for the charging of income tax at a standard rate lower than that charged for the previous year, the following provisions shall have effect with respect to deductions in respect of income tax by any body corporate, from payments of interest on any of its securities, or under section 232(3) of this Act from payments of preference dividends on any of its shares—

- (a) any deduction, which was made before the expiration of one month from the passing of the resolution and which would, if the tax had been renewed at the rate imposed for the previous year, have been a legal deduction, shall be deemed to be a deduction rendered legal by section 2 of the Provisional Collection of Taxes Act 1968, and the said section 2 shall, subject to the provisions of this section, apply accordingly;
- (b) any over-deduction to be made good under the said section 2 may be made good by a reduction of the amount of tax deducted from the next payment of like nature made on the security or share in question after the passing of the Act imposing the tax for the year:

Provided that the preceding provision shall not authorise the retention of any part of the amount over-deducted for more than one year from the passing of the Act so imposing the tax ;

- (c) any amount made good under the said section 2 shall—
 - (i) in the case of an over-deduction which is made good under paragraph (b) of this section, enure to the benefit of the person entitled to the payment on the occasion of which the over-deduction is made good; and
 - (ii) in any other case, enure to the benefit of the person entitled to the security or share in question at the date when the amount is made good,

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

irrespective, in either case, of whether or not he is the person who was entitled to the payment, or to the security or share, at the date when the original deduction was made.

In this section " share " includes stock.

523 Adjustment of reliefs where reliefs not all given at the same time

Where, under the provisions of the Income Tax Acts, an individual is entitled to claim relief from income tax (other than relief in respect of life insurance premiums), by repayment or otherwise, in respect of—

- (a) any amount which is paid or borne by him out of his income or which is allowable or may be deducted therefrom; or
- (b) any reduction of an assessment relating to his income or any part thereof; or
- (c) any adjustment or set-off with regard to a loss,

and claims that relief for any year of assessment, any relief granted shall not extend so as to make the total income tax paid or payable by him for that year less than it would have been if the amount in respect of which relief is claimed had been deducted in computing his total income for that year and the amount of any other deductions or reliefs to which he is entitled for that year had been determined accordingly.

524 Application of Income Tax Acts to public departments

- (1) Subject to subsection (2) below, all the provisions of the Income Tax Acts relating to the assessment, charge, deduction and payment of income tax shall apply in relation to public offices and departments of the Crown:

Provided that nothing in those provisions shall require the payment by any such office or department of any tax which would be ultimately borne by the Crown.

- (2) Subsection (1) above shall not apply to public offices and departments of any country, state, province or colony within paragraph (b) or (c) of section 372(2) of this Act (Commonwealth Agents-General, and official agents, etc.), and nothing in subsection (1) above shall exempt any Government from taxation to which it is liable in connection with any office or department by virtue of section 25 of the Finance Act 1925 (liability of Governments of places within, and certain places outside, Her Majesty's dominions to taxation in respect of trading operations).

525 No exemption from tax under letters patent or statutes

- (1) No letters patent granted or to be granted by the Crown to any person, city, borough or town corporate of any liberty, privilege, or exemption from subsidies, tolls, taxes, assessments or aids, and no statute which grants any salary, annuity or pension to any person free of any taxes, deductions or assessments, shall be construed or taken to exempt any person, city, borough or town corporate, or any inhabitant of the same, from income tax, and all non-obstantes in any such letters patent or statute made or to be made to the contrary effect shall be void.
- (2) This section shall apply in relation to tax chargeable in pursuance of Part III of the Finance Act 1965 (tax on chargeable gains) as it applies in relation to income tax.