



Finance Act 1981

1981 CHAPTER 35

PART IV

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER I

GENERAL

31 Payments for loss of employment etc.

- (1) In section 188(3) of the Taxes Act (tax on excess over £10,000 of payments for loss of employment etc.) for "£10,000", wherever it occurs, there shall be substituted "£25,000".
- (2) Paragraphs 3 to 5 of Schedule 8 to that Act (relief by reference to standard capital superannuation benefit) shall cease to have effect.
- (3) In paragraph 7 of that Schedule (top-slicing relief) for sub-paragraph (c) and the words following it there shall be substituted the words " the amount to be deducted shall be half the difference between the amount ascertained at (a) and the amount ascertained at (b). "
- (4) Paragraph 8 of that Schedule (calculation of tax and income for purposes of relief under paragraph 7) shall cease to have effect.
- (5) In paragraph 12 of that Schedule (definition of payment chargeable under section 187) for the words " section 188(3)" there shall be substituted the words " section 188(2) or (3) ".
- (6) Subject to subsection (7) below, subsections (1) to (4) above have effect in relation to any payment which by virtue of section 187(4) of the Taxes Act is treated as income received on or after 6th April 1981; and where under the proviso to section 188(3) of that Act the sum there mentioned falls to be deducted from one or more payments treated as income received before, and one or more payments treated as income

Status: This is the original version (as it was originally enacted).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

received on or after, that date only £10,000 of that sum shall be deducted from the first-mentioned payment or payments.

- (7) Where a payment is made in pursuance of an obligation incurred before 10th March 1981, the person chargeable to tax in respect of it may, by a notice in writing given to the inspector within six years after the year of assessment in which the payment is made, elect that Schedule 8 to the Taxes Act shall have effect in relation to the payment as if this Act had not been passed.
- (8) Subsection (5) above shall be deemed always to have had effect.