



Finance (No. 2) Act 1997

1997 CHAPTER 58

PART III

INCOME TAX AND CORPORATION TAX

Gilt-edged securities

37 Interest to be paid gross.

(1) The Taxes Act 1988 shall be amended as follows.

^{F1}(2)

^{F1}(3)

^{F1}(4)

(5) Section 51A (interest on gilt-edged securities held under authorised arrangements to be paid without deduction of tax) shall cease to have effect.

^{F2}(6)

^{F3}(7)

(8) ^{F4}... this section has effect in relation to payments of interest falling due on or after 6th April 1998.

^{F5}(9)

^{F5}(10)

^{F5}(11)

^{F5}(12)

^{F5}(13)

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 1997, Cross Heading: Gilt-edged securities. (See end of Document for details)

Textual Amendments

- F1** S. 37(2)-(4) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))
- F2** S. 37(6) repealed (31.7.1998 with effect as mentioned in [Sch. 27 Pt. III\(3\) Note of the amending Act](#)) by [1998 c. 36](#), ss. [37\(3\)](#), [165](#), [Sch. 27 Pt. III\(3\) Note](#); [S.I. 1999/619](#), [art. 2](#)
- F3** S. 37(7) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))
- F4** Words in s. 37(8) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))
- F5** S. 37(9)-(13) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[^{F6}38 **Paying and collecting agents.**

- (1) Chapter VIIA of Part IV of the Taxes Act 1988 (paying and collecting agents) shall be amended as follows.
- (2) Section 118A (interpretation of Chapter) shall become subsection (1) of that section and, in paragraph (k) of that subsection (meaning of “international organisation”), for “has the meaning given by section 51A(8)” there shall be substituted “ means an organisation of which two or more sovereign powers, or the governments of two or more sovereign powers, are members ”.
- (3) After that subsection there shall be inserted the following subsection—
 - “(2) If, in any proceedings, any question arises whether a person is an international organisation for the purposes of this Chapter, a certificate issued by or under the authority of the Secretary of State stating any fact relevant to that question shall be conclusive evidence of that fact.”
- (4) In section 118D(4) (payments of interest payable without deduction of tax not to be chargeable payments), after “by virtue of” there shall be inserted “ section 50(A1) or of ”.
- (5) In subsection (3) of section 118G (United Kingdom public revenue dividends excluded from being chargeable payments)—
 - (a) paragraphs (b) and (d) to (f) shall be omitted; and
 - (b) for paragraph (c) there shall be substituted the following paragraph—
 - “(ca) they are payable in respect of a FOTRA security (within the meaning of section 154 of the ^{M1}Finance Act 1996) which—
 - (i) is not registered (within the meaning of section 50 of this Act); and
 - (ii) is, for the time being, beneficially owned by a person who is not ordinarily resident in the United Kingdom.”
- (6) In section 118G(7), for paragraphs (a) and (b) there shall be substituted “ foreign dividends on foreign holdings held by a nominee approved for the purposes of this subsection ”.
- (7) Section 118G(8) and (10) shall cease to have effect.
- (8) This section has effect in relation to payments falling due on or after 6th April 1998.]

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 1997, Cross Heading: Gilt-edged securities. (See end of Document for details)

Textual Amendments

F6 S. 38 repealed (28.7.2000 with effect as mentioned in Sch. 40 Pt. II(17) Note of the amending Act) by 2000 c. 17, s. 156, **Sch. 40 Pt. II(17)**

Marginal Citations

M1 1996 c. 8.

Changes to legislation:

There are currently no known outstanding effects for the Finance (No. 2) Act 1997, Cross
Heading: Gilt-edged securities.