

1976 No. 381**INCOME TAX****The Income Tax (Employments) (No. 4) Regulations 1976**

<i>Made - - - -</i>	<i>9th March 1976</i>
<i>Laid before the House of Commons</i>	<i>17th March 1976</i>
<i>Coming into Operation</i>	<i>6th April 1976</i>

The Commissioners of Inland Revenue, in exercise of the powers conferred upon them by section 204 of the Income and Corporation Taxes Act 1970(a), hereby make the following Regulations:—

1.—(1) These Regulations may be cited as the Income Tax (Employments) (No. 4) Regulations 1976, and shall come into operation on 6th April 1976.

(2) The Interpretation Act 1889(b) shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Parliament.

(3) In these Regulations “the Principal Regulations” means the Income Tax (Employments) Regulations 1973(c) as amended(d).

2. Regulation 2(1) of the Principal Regulations shall be varied—

(a) by deleting the definition of “earnings-related contributions” and inserting the following definition after the definition of “deduction card” :—

“ ‘earnings-related contributions’ means contributions payable under the Social Security Act 1975(e) or the Social Security (Northern Ireland) Act 1975(f) by or in respect of an employed earner in respect of employed earner’s employment” ; and

(b) by inserting the following definitions after the definition of “emoluments” :—

“ ‘employed earner’ and ‘employed earner’s employment’ have the same meaning as in the Social Security Act 1975 and the Social Security (Northern Ireland) Act 1975”.

3.—(1) Regulation 8 of the Principal Regulations shall be varied by inserting after paragraph (1) the following paragraph:—

“(1A) The Inspector may determine that tax shall be deducted at a rate above the basic rate from any emoluments if he is of opinion that deduction

(a) 1970 c. 10.

(b) 1889 c. 63.

(c) S.I. 1973/334 (1973 I, p. 1147).

(d) The amending Regulations are S.I. 1974/2102, 1975/728 (1974 III, p. 8189; 1975 II, p. 2668).

(e) 1975 c. 14.

(f) 1975 c. 15.

of tax from any other emoluments by reference to tax tables is impracticable and he has reason to believe that this will secure, so far as possible, the deduction from those emoluments of the tax chargeable on them and on the other emoluments.”

(2) Regulation 8(3) of the Principal Regulations shall be varied by inserting after the words “paragraph (1)” the expression “(1A)”.

4.—(1) Regulation 13(7) of the Principal Regulations shall be varied by inserting after the words “at one of the higher rates of tax” the words “or at a rate above the basic rate” and by inserting after the words “at the appropriate higher rate” the words “or rate above the basic rate”.

(2) The proviso to Regulation 13(7) of the Principal Regulations shall be varied by inserting after the words “that no tax shall be deducted” the words “or that tax shall be deducted at a rate above the basic rate”.

By Order of the Commissioners of Inland Revenue.

J. D. Taylor Thompson,
Secretary

9th March 1976

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations, which come into effect on 6th April 1976, modify the Regulations relating to Income Tax under Pay As You Earn. The principal change is to authorise the issue of a new type of PAYE code requiring tax to be deducted at a rate above the basic rate of tax where a taxpayer has a second source of Schedule E income on which tax is due but cannot be collected by deduction at source (eg a National Insurance retirement pension). The Regulations envisage that in such cases the PAYE code will specify such a rate of tax as will, so far as possible, result in the deduction of the tax due on both sources of income from the income to which PAYE is applied.

SI 1976/381
ISBN 0-11-060381-8

