

---

 STATUTORY INSTRUMENTS
 

---

1978 No. 28

## INCOME TAX

**The Income Tax (Official Rate of Interest on  
Beneficial Loans) Order 1978**

<i>Made</i> - - - -	11th January 1978
<i>Laid before the House of Commons</i> - - -	25th January 1978
<i>Coming into Operation</i>	6th April 1978

The Treasury, in exercise of the powers conferred on them by section 66(9) of the Finance Act 1976(a), hereby make the following order:—

1.—(1) This order may be cited as the Income Tax (Official Rate of Interest on Beneficial Loans) Order 1978 and shall come into force on 6th April 1978.

(2) The Interpretation Act 1889(b) shall apply for the interpretation of this Order as it applies for the interpretation of the Act of Parliament.

2. For the purposes of section 66 of and Schedule 8 to the Finance Act 1976 (which impose a charge to income tax on beneficial loans) the official rate of interest shall be 9 per cent per annum.

*T. E. Graham,*

*Peter Snape,*

Two of the Lords Commissioners  
of Her Majesty's Treasury.

11th January 1978.

## EXPLANATORY NOTE

*(This Note is not part of the Order.)*

This Order prescribes with effect from 6th April 1978 the official rate of interest for the purposes of the charge to income tax under the Finance Act 1976 in respect of certain cheap or interest-free loans, which directors and higher-paid employees obtain by reason of their employment.

---

(a) 1976 c. 40.

(b) 1889 c. 63.

SI 1978/28  
ISBN 0-11-083028-8

