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STATUTORY INSTRUMENTS

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**1987 No. 886**

**INCOME TAX**

**The Income Tax (Official Rate of Interest  
on Beneficial Loans) (No. 2) Order 1987**

<i>Made</i>	- - - -	<i>13th May 1987</i>
<i>Laid before the House of Commons</i>	- - - -	<i>14th May 1987</i>
<i>Coming into force</i>	- -	<i>6th June 1987</i>

The Treasury, in exercise of the powers conferred on them by section 66(9) of the Finance Act 1976<sup>(1)</sup>, hereby make the following Order:

**1.** This Order may be cited as the Income Tax (Official Rate of Interest on Beneficial Loans) (No. 2) Order 1987 and shall come into force on 6th June 1987.

**2.** For the purposes of section 66(2) of, and Schedule 8(3) to, the Finance Act 1976 (which impose a charge to income tax on beneficial loans) the official rate of interest is prescribed to be 10é per cent. per annum.

13th May 1987

*Peter Lloyd*  
*Mark Lennox-Boyd*  
Two of the Lords Commissioners of Her  
Majesty's Treasury

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(1) 1976 c. 40.

(2) Section 66 was amended by section 50(1) of the Finance Act 1980 (c. 48) and by section 26(9) of the Finance Act 1982 (c. 39).

(3) Schedule 8 was amended by section 26(9) of the Finance Act 1982 (c. 39) and by section 4 of the Finance (No. 2) Act 1983 (c. 49).

**Status:** This is the original version (as it was originally made).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

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

By this Order the official rate of interest for the purposes of section 66 of, and Schedule 8 to, the Finance Act 1976 (charge to income tax on beneficial loans) is prescribed to be 10é per cent. per annum on and after 6th June 1987.

Previous Orders – S.I. [1978/28](#), [1980/439](#), [1982/1273](#) and [1987/512](#) – prescribed rates of 9 per cent. per annum (on and after 6th April 1978), 15 per cent. per annum (on and after 6th May 1980), 12 per cent. per annum (on and after 6th October 1982) and 11½ per cent. per annum (on and after 6th April 1987) respectively.