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STATUTORY INSTRUMENTS

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**1992 No. 14**

**INCOME TAX**

**The Income Tax (Deposit-takers)  
(Non-residents) Regulations 1992**

<i>Made</i>	- - - -	<i>8th January 1992</i>
<i>Laid before the House of Commons</i>	- - - -	<i>9th January 1992</i>
<i>Coming into force</i>	- -	<i>30th January 1992</i>

The Commissioners of Inland Revenue, in exercise of the powers conferred on them by section 482(11) and (12) of the Income and Corporation Taxes Act 1988<sup>(1)</sup>, hereby make the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Income Tax (Deposit-takers) (Non-residents) Regulations 1992 and shall come into force on 30th January 1992.

**Interpretation**

2. In these Regulations unless the context otherwise requires—
- “the Act” means the Income and Corporation Taxes Act 1988;
  - “the Board” means the Commissioners of Inland Revenue;
  - “certificate” means the certificate referred to in section 482(11) (a) of the Act;
  - “declaration” means a declaration under section 481(5) (k) of the Act;
  - “deposit-taker”, “deposit” and “relevant deposit” have the meanings given by section 481 of the Act<sup>(2)</sup>;
  - “the 1985 Regulations” means the Income Tax (Composite Rate) (Non-residents) Regulations 1985<sup>(3)</sup>;
  - “notice” means notice in writing;
  - “payment” includes “credit”.

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(1) 1988 c. 1; section 482(11) was amended by paragraph 9(4) of Schedule 5 to the Finance Act 1990 (c. 29).

(2) Section 481 was amended by paragraph 8 of Schedule 5 and Part IV of Schedule 19 to the Finance Act 1990.

(3) S.I. 1985/1702.

### **Requirement for a certificate**

3.—(1) Every declaration which is in a form prescribed or authorised by the Board under the provisions of section 482(2) of the Act shall, if it does not give the address of the person making it, be supported by a certificate given by the deposit-taker in accordance with paragraph (2) of this regulation and regulations 4 and 5.

(2) The certificate shall be given without delay after receipt of the declaration by the deposit-taker and in any event before the first payment of interest in respect of the deposit to which the declaration relates.

### **Information to be contained in the certificate**

4. The certificate shall—

- (a) contain the deposit-taker's full name and address;
- (b) be signed by a duly authorised signatory on behalf of the deposit-taker;
- (c) state the signatory's office;
- (d) contain a sufficient description or other identification of the declaration to which the certificate relates;
- (e) contain a statement that the declaration includes the undertaking required by section 482(2) (a) of the Act;
- (f) contain a statement that the deposit-taker has no reason to believe that any person beneficially entitled to interest in respect of the deposit to which the declaration relates is not resident outside the United Kingdom.

### **Form of certificate**

5. The certificate shall not be valid for the purposes of these Regulations unless it is in the form prescribed by the Board, or in a form authorised by the Board for those purposes.

### **Certificate ceasing to be valid**

6. When the deposit-taker is in possession of information which can reasonably be taken to indicate that the deposit to which the certificate relates is or may be a relevant deposit, the certificate shall no longer be valid for the purposes of these Regulations and he shall thereupon treat that deposit as a relevant deposit.

### **Inspection of certificates**

7.—(1) A deposit-taker shall, on being so required by notice given to him by an inspector, make any certificate to which the notice refers available for inspection by the inspector or by a named officer of the Board within such time as may be specified in the notice.

(2) The inspector or officer to whom a certificate is to be made available under paragraph (1) shall be entitled to take copies of, or make extracts from, that certificate.

(3) A notice under paragraph (1) may be combined with a notice given under section 482(3) of the Act.

### **Retention of declarations and certificates**

8. Every declaration, whether made before or after the coming into force of these Regulations, and every certificate shall be preserved by the deposit-taker in such manner as may be approved by the Board until two years after the deposit has been repaid or has become a relevant deposit.

### **Revocation of the 1985 Regulations and consequential provision**

9.—(1) The 1985 Regulations are hereby revoked.

(2) A certificate given in accordance with the 1985 Regulations which was valid for the purposes of those Regulations immediately before the coming into force of these Regulations shall have effect as if given in accordance with regulations 3, 4 and 5, and accordingly, unless the context otherwise requires, references to a certificate in these Regulations shall be construed as including a certificate given in accordance with the provisions of the 1985 Regulations.

8th January 1992

*A. M. W. Battishill*

*L. J. H. Beighton*

Two of the Commissioners of Inland Revenue

*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 Regulations)*

These Regulations, which come into force on 30th January 1992, are made under section 482(11) and (12) of the Income and Corporation Taxes Act 1988 (“the 1988 Act”). They provide for the giving of a certificate by a deposit-taker where a declaration made to the deposit-taker under section 481(5) (k) of the 1988 Act, that the person beneficially entitled to interest in respect of a deposit is not ordinarily resident in the United Kingdom, does not give the address of the person making it. The making of a declaration in respect of a deposit, supported by a certificate where necessary, enables a deposit-taker to make payments of interest in respect of that deposit without deduction of income tax.

The Regulations make provision for the form and content of the certificate, the circumstances in which a certificate ceases to be valid, the inspection of certificates and the retention by a deposit-taker of declarations and certificates. The Regulations revoke and replace the Income Tax (Composite Rate) (Non-residents) Regulations 1985 (S.I. 1985/1702) (“the 1985 Regulations”) which made similar provision for a certificate to be given by a deposit-taker so as to enable him to make payments of interest without accounting for tax at the composite rate on such payments. The revocation of the 1985 Regulations and the making of these Regulations is in consequence of the abolition of composite rate tax for the year 1991—92 and subsequent years of assessment and its replacement by a requirement (subject to exceptions) to deduct income tax from payments of interest made by deposit-takers.

Regulation 1 provides for citation and commencement.

Regulation 2 contains definitions.

Regulation 3 defines the circumstances in which a certificate is required.

Regulation 4 specifies the information to be contained in the certificate.

Regulation 5 provides that the certificate, to be valid, has to be in a form prescribed or authorised by the Board.

Regulation 6 specifies the circumstances in which a certificate ceases to be valid.

Regulation 7 provides for the inspection of certificates.

Regulation 8 provides for the retention of certificates and declarations.

Regulation 9 revokes the 1985 Regulations and makes consequential provision in relation to certificates given under those Regulations.