
STATUTORY INSTRUMENTS

1996 No. 1780

**The Income Tax (Paying and
Collecting Agents) Regulations 1996**

Non-chargeability of relevant payments or relevant receipts: declarations

Declaration by depositary for recognised clearing system

3.—(1) Subsection (1)(a) of section 118 D shall not apply in respect of a relevant payment payable by a paying agent to, or at the direction of, a depositary for a recognised clearing system, and subsection (2)(a) of that section shall not apply in respect of a relevant receipt payable by a collecting agent to, or at the direction of, such a depositary, or for which a collecting agent is accountable to, or at the direction of, such a depositary, unless the depositary has made a declaration in writing to the paying agent or, as the case may be, the collecting agent concerned.

(2) A declaration under paragraph (1) shall be in such form as the Board may require, and shall contain the information specified in paragraph (3) and the undertaking specified in paragraph (4).

(3) The information specified is—

- (a) the full name of the recognised clearing system;
- (b) the full name of the depositary;
- (c) the address of the principal place of business of the depositary;
- (d) the full name of the paying agent or the collecting agent to whom the declaration is made;
- (e) a statement by the depositary either—
 - (i) that the relevant payments payable by the paying agent are payable in respect of foreign holdings held in the recognised clearing system for which he acts as depositary, or
 - (ii) that the relevant receipts payable by the collecting agent or for which the collecting agent is accountable, are payable in respect of relevant holdings held in the recognised clearing system for which he acts as depositary;
- (f) a statement by the depositary that the information contained in the declaration is correct to the best of his knowledge and belief.

(4) The undertaking specified is an undertaking that the depositary will notify the paying agent or the collecting agent to whom the declaration is made of any relevant payments or relevant receipts to which the declaration does not apply, or has ceased to apply.

(5) A declaration under paragraph (1) shall be signed by an officer of the depositary authorised for that purpose, stating the capacity in which he signs.

(6) A declaration under paragraph (1) shall have effect in relation to any relevant payments or relevant receipts arising to a depositary that are paid or accounted for by a paying or collecting agent after the declaration is made to the agent, unless and until the agent—

- (a) receives a notification relating to those payments or receipts in accordance with the undertaking contained in the declaration,

- (b) receives a notice from the Board under regulation 10(2) relating to those payments or receipts, or
- (c) has reason to believe, by reference to information in his possession, that the declaration is, or has become, incorrect as respects those payments or receipts.

Declaration by eligible person or appropriate person

4.—(1) Subsection (1) of section 118G shall not apply as regards a relevant payment or a relevant receipt, other than a payment or receipt to which subsection (4)(f) of that section applies, unless a declaration in writing relating to the payment or receipt has been made by the eligible person or by an appropriate person to the paying agent or, as the case may be, the collecting agent concerned, confirming that, to the best of the eligible person's or appropriate person's knowledge and belief, the requirements of that section with respect to the payment or receipt are satisfied.

(2) Subject to paragraphs (3) to (5), a declaration under paragraph (1) shall be regarded as relating to a relevant payment or a relevant receipt if—

- (a) the chargeable date for the payment or receipt falls—
 - (i) in the month in which the declaration is made to the paying agent or collecting agent, or
 - (ii) where the declaration is made within the period of 14 days commencing with the first day of a month, in the preceding month; or
- (b) the payment is made, or the receipt is received or arises, after the end of the month in which the declaration is made.

(3) A declaration under paragraph (1) shall not be regarded as relating to a relevant payment or a relevant receipt if, prior to receipt of the declaration, the paying agent or collecting agent to whom it is made has furnished a certificate under section 118E(4) with respect to that payment or receipt.

(4) A declaration under paragraph (1) shall not be regarded as relating to more than one relevant payment in respect of foreign holdings that are in bearer form.

(5) A declaration under paragraph (1) shall not be regarded as relating to a relevant payment or relevant receipt if the agent concerned—

- (a) receives a notification relating to that payment or receipt in accordance with the undertaking contained in the declaration,
- (b) receives a notice from the Board under regulation 10(2) relating to that payment or receipt, or
- (c) has reason to believe, by reference to information in his possession, that the declaration is, or has become, incorrect as respects that payment or receipt.

Declaration by eligible person— additional provisions

5.—(1) A declaration by an eligible person under regulation 4 shall be in the form prescribed, or in a form authorised, by the Board, and shall contain the information specified in paragraph (2) and the undertaking specified in paragraph (3).

(2) The information specified is—

- (a) the full name of the eligible person;
- (b) the principal address of the eligible person, that is to say—
 - (i) where the eligible person is an individual, or a trustee other than a corporate or a professional trustee, his principal residential address,

- (ii) where the eligible person is a body corporate (including a corporate trustee), the address of its registered office or principal place of business,
 - (iii) where the eligible person is a professional trustee, the address of his employment or principal place of business;
 - (c) the full name of the paying agent or the collecting agent to whom the declaration is made;
 - (d) a statement that the status of the eligible person is such as to result in the relevant payments and relevant receipts concerned falling within section 118G(4);
 - (e) where the declaration relates to a relevant payment in respect of foreign holdings that are in bearer form, the name of the stock and the amount of the relevant payment;
 - (f) a statement that the information contained in the declaration is correct to the best of the eligible person's knowledge and belief.
- (3) The undertaking specified is an undertaking that the eligible person will notify the paying agent or collecting agent to whom the declaration is made of any relevant payments or relevant receipts to which the declaration does not apply, or has ceased to apply.
- (4) A declaration under paragraph (1) shall be signed—
- (a) where the eligible person is an individual, by that individual,
 - (b) where the eligible person is a trustee of a qualifying discretionary or accumulation trust (other than a corporate trustee), by that trustee, stating the capacity in which he signs,
 - (c) where the eligible person is a body corporate (including a corporate trustee), by the secretary of that company or other officer of that company duly authorised for that purpose, stating the capacity in which he signs,
 - (d) where the eligible person is a sovereign power or international organisation, by an authorised representative of that sovereign power or international organisation, stating the capacity in which he signs,
 - (e) in any other case, by an officer of the organisation concerned duly authorised for that purpose, stating the capacity in which he signs.

Declaration by appropriate person— additional provisions

6.—(1) A declaration by an appropriate person under regulation 4 shall be in the form prescribed, or in a form authorised, by the Board, and shall contain the information specified in paragraph (2) and the undertaking specified in paragraph (3).

- (2) The information specified is—
- (a) the full name of the appropriate person;
 - (b) the principal address of the appropriate person, that is to say—
 - (i) where the appropriate person is an individual, or a trustee other than a corporate or a professional trustee, his principal residential address,
 - (ii) where the appropriate person is a body corporate (including a corporate trustee), the address of its registered office or principal place of business,
 - (iii) where the appropriate person is a professional trustee, the address of his employment or principal place of business;
 - (c) the full name of the paying agent or collecting agent to whom the declaration is made;
 - (d) (where applicable) a statement that the appropriate person has no reason to believe, by reference to information in his possession, that paragraph (a) or (c) of section 118G(4) does not apply to the relevant payments or relevant receipts payable to him or at his direction by the paying or collecting agent;

- (e) where the declaration relates to a relevant payment in respect of foreign holdings that are in bearer form, the name of the stock and the amount of the relevant payment;
 - (f) a statement that the information contained in the declaration is correct to the best of the appropriate person's knowledge and belief.
- (3) The undertaking specified is an undertaking that the appropriate person will notify the paying agent or collecting agent to whom the declaration is made of any relevant payments or relevant receipts to which the declaration does not apply, or has ceased to apply.
- (4) A declaration by an appropriate person shall be signed—
- (a) where the appropriate person is an individual, by that individual,
 - (b) where the appropriate person is a trustee (other than a corporate trustee), by that trustee, stating the capacity in which he signs,
 - (c) where the appropriate person is a body corporate (including a corporate trustee), by the secretary of that company or other officer of that company duly authorised for that purpose, stating the capacity in which he signs.