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STATUTORY INSTRUMENTS

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**1996 No. 980**

**INCOME TAX**

**The Income Tax (Employments)  
(Amendment No. 2) Regulations 1996**

<i>Made</i>	- - - -	<i>29th March 1996</i>
<i>Laid before the House of Commons</i>	- - - -	<i>29th March 1996</i>
<i>Coming into force</i>	- -	<i>19th April 1996</i>

The Commissioners of Inland Revenue, in exercise of the powers conferred on them by section 203 of the Income and Corporation Taxes Act 1988(1), hereby make the following Regulations:

1.—(1) These Regulations may be cited as the Income Tax (Employments) (Amendment No. 2) Regulations 1996 and shall come into force on 19th April 1996.

(2) These Regulations have effect as respects cheques received on or after the day on which these Regulations come into force.

2. The Income Tax (Employments) Regulations 1993(2) shall be amended in accordance with regulations 3 to 5.

3. In regulation 42(3), after paragraph (7) the following paragraph shall be inserted—

“(7A) For the purposes of regulations 40 and 41(4) and of this regulation, where—

(a) any payment to the collector is made by cheque, and

(b) the cheque is paid on its first presentation to the banker on whom it is drawn,

the payment shall be treated as made on the day on which the cheque was received by the collector.”

4.—(1) The paragraph set out in paragraph (2) below shall be inserted—

(a) in regulation 48(5) after paragraph (7) as paragraph (7A); and

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(1) 1988 c. 1; section 203 was amended by section 128 of, and paragraph 4 of Schedule 3 to, the Finance Act 1988 (c. 39), section 45(3) of, and Part IV of Schedule 17 to, the Finance Act 1989 (c. 26), and paragraph 38 of Schedule 19, and Part V(23) of Schedule 26, to the Finance Act 1994 (c. 9).

(2) S.I. 1993/744; relevant amending instruments are S.I. 1993/2276, 1995/216, 447.

(3) Regulation 42 was amended by S.I. 1995/447 regulation 3.

(4) Regulation 40 was amended by S.I. 1993/2276 regulation 6; regulation 41 was amended by S.I. 1993/2276 regulation 7 and S.I. 1995/216.

(5) Regulation 48 was amended by S.I. 1995/447 regulation 4.

- (b) in regulation 53 after paragraph (4) as paragraph (5).
- (2) The paragraph referred to in paragraph (1) above is—
  - “For the purposes of this regulation, where—
    - (a) any payment to the collector is made by cheque, and
    - (b) the cheque is paid on its first presentation to the banker on whom it is drawn, the payment shall be treated as made on the day on which the cheque was received by the collector.”
- 5. In regulation 52 the following paragraph shall be inserted at the end—
  - “(4) For the purposes of regulations 50 and 51 and of this regulation, where—
    - (a) any payment to the collector is made by cheque, and
    - (b) the cheque is paid on its first presentation to the banker on whom it is drawn, the payment shall be treated as made on the day on which the cheque was received by the collector.”

*A. M. W. Battishill  
G. H. Bush*

29th March 1996

Two of the Commissioners of Inland Revenue

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## EXPLANATORY NOTE

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

These Regulations make amendments to the Income Tax (Employments) Regulations 1993 (S.I.1993/744) (“the principal Regulations”).

The amendments have been made against the background of the taking effect of section 70A of the Taxes Management Act 1970 (c. 9) (“section 70A”) (as inserted by paragraph 22 of Schedule 19 to the Finance Act 1994 (c. 9)). Section 70A has effect as respects cheques received on or after 6th April 1996; and provides that, for the purposes of the Taxes Management Act 1970 and the provisions mentioned in subsection (2) of that section, where a payment to an officer of the Board of Inland Revenue or to the Board is made by cheque, and the cheque is paid on its first presentation, the payment shall be treated as made on the day on which the cheque was received by the officer or the Board.

These Regulations amend the principal Regulations so as to make provision corresponding to that made by section 70A in the following cases, namely, payment of tax (regulations 40 to 42 of the principal Regulations), notices given where employers have not paid tax to the collector (regulation 48 of the principal Regulations), interest on tax which is unpaid or overdue (regulations 50 to 52 of the principal Regulations) and interest on tax overpaid by the employer (regulation 53 of the principal Regulations).