
S T A T U T O R Y I N S T R U M E N T S

2001 No. 1081

INCOME TAX

**The Income Tax (Electronic Communications)
(Miscellaneous Amendments) Regulations 2001**

Made - - - - - 19th March 2001

Laid before the House of Commons 20th March 2001

Coming into force - - 9th April 2001

The Commissioners of Inland Revenue in exercise of the powers conferred upon them by section 203(2) and (10) of the Income and Corporation Taxes Act 1988(a), sections 132 and 133(2) of the Finance Act 1999(b), and section 143 of the Finance Act 2000(c) hereby make the following Regulations:

PART I

INTRODUCTION

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Income Tax (Electronic Communications) (Miscellaneous Amendments) Regulations 2001 and shall come into force on 9th April 2001.

(2) In these Regulations—

“the Electronic Communications Regulations” means the Income Tax (Electronic Communications) Regulations 2000(d);

“the Employments Regulations” means the Income Tax (Employments) Regulations 1993(e); and

“the Incentive Payments Regulations” means the Income Tax (Electronic Communications) (Incentive Payments) Regulations 2001(f).

(a) 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), paragraph 38 of Schedule 19, and the relevant entry in Part V of Schedule 26, to the Finance Act 1994 (c. 9). Subsection (10) was added by section 119 of the Finance Act 1998 (c. 36) and is to be partly repealed upon the coming into force of the entry relating to that subsection contained in Part VII of Schedule 20 to the Finance Act 1999 (c. 16).

(b) 1999 c. 16.

(c) 2000 c. 17.

(d) S.I. 2000/945.

(e) S.I. 1993/744 the relevant amending instrument is S.I. 1998/2484.

(f) S.I. 2001/56.

PART II

AMENDMENT OF THE ELECTRONIC COMMUNICATIONS REGULATIONS

2. Amend the Electronic Communications Regulations in accordance with the following provisions of this Part.
3. In regulation 6 (proof of identity of sender or recipient of information)—
 - (a) omit the word “conclusively”; and
 - (b) at the end add “unless the contrary is proved.”.
- 4.—(1) Amend regulation 7 (proof of delivery of information and payments) as follows.
 - (2) In paragraph (1)—
 - (a) omit “conclusively”; and
 - (b) at the end add—

“
,
unless the contrary is proved.”.
 - (3) In paragraph (2)—
 - (a) omit “conclusively”, and
 - (b) at the end add “unless the contrary is proved.”.
5. In regulation 8 (proof of content of information)—
 - (a) omit “conclusively”; and
 - (b) at the end add “unless the contrary is proved.”.
6. After regulation 8 (proof of content of information) add—

“Certificates as to official records

 9. A document certified by an officer of the Board to be a printed-out version of any electronic communication recorded on an official computer system as at a particular date shall be presumed, unless the contrary is proved—
 - (a) to have been recorded on an official computer system at that date; and
 - (b) to constitute the entirety of the electronic communication so recorded.

Presumption as to certificates

10. A document purporting to be a certificate issued by an officer of the Board under regulation 9 shall be presumed to be such a certificate unless the contrary is proved.”.

PART III

AMENDMENT OF THE EMPLOYMENTS REGULATIONS

7. Amend the Employments Regulations in accordance with the following provisions of this Part.
- 8.—(1) Amend regulation 2(a) (interpretation) as follows.
 - (2) In paragraph (1) at the appropriate points in the alphabetical list insert—

““electronic communications” has the meaning given by section 132(10) of the Finance Act 1999 and “approved” in relation to a means of electronic communications means approved by directions issued by or on behalf of the Board;”; and

““official computer system” means a computer system maintained by or on behalf of the Board for the purpose of the service known as the Internet Service for PAYE;”.
 - (3) For paragraph (4) substitute—

“(4) In these Regulations references to electronic transmission of information, or to something being transmitted electronically are references (and are references only) to the transmission of information—

(a) Regulation 2 was amended by regulation 3 of S.I. 1998/2484.

- (a) from a computer system maintained by or on behalf of an officer of the Board to the employer's computer system, or
- (b) from the employer's computer system to that maintained by or on behalf of an officer of the Board,

by means of the system operated on behalf of the Board and known as Electronic Data Interchange, and references to a "transmitter" are references to the person by whom such information is transmitted in that way.

In this paragraph references to the employer's computer system are to the computer system used by or on behalf of the employer for the receipt, processing or storage of payroll information."

- (4) After paragraph (4) as substituted by paragraph (3) of this regulation, insert—
 "(4A) for the purposes of these Regulations, information shall only be taken—
 (a) to have been transmitted electronically, to a computer system maintained by or on behalf of an officer of the Board, or
 (b) delivered by means of electronic communications to an official computer system, if it is accepted by the system to which it is transmitted or delivered."
- (5) After paragraph (5) insert—
 "(5A) A document certified by an officer of the Board to be a printed-out version of any electronic communication recorded on an official computer system under these Regulations as at a particular date shall be presumed, unless the contrary is proved—
 (a) to have been recorded on an official computer system at that date; and
 (b) to constitute the entirety of the electronic communication so recorded."
- (6) In paragraph (6) for "(5)" substitute "(5) or (5A)".
- 9.** In regulation 6(4) (deduction and repayment of tax under appropriate code)(a)—
 (a) at the end of sub-paragraph (a) omit "or";
 (b) at the end of sub-paragraph (b) insert "; or"; and
 (c) after sub-paragraph (b) add—
 "(c) if the employer has indicated that he is willing for it to be delivered in that way, it is delivered to him by an approved means of electronic communications from an official computer system."
- 10.** In regulation 23(1) (particulars to be given on the cessation of employment)(b) for sub-paragraphs (a) and (b) substitute—
 "(a) prepare a statement on the form provided containing the particulars specified in paragraph (2) and —
 (i) send the statement to the inspector, or
 (ii) arrange for the particulars contained in the statement to be transmitted electronically to the inspector; or
 (b) deliver a statement containing the particulars specified in paragraph (2) by an approved means of electronic communications to an official computer system."
- 11.—(1)** Amend regulation 25(2)(b) (particulars to be given on the commencement of subsequent employment)(c) as follows.
 (2) In head (i) omit "or".
 (3) In head (ii) at the end add ", or".
 (4) After head (ii) add—
 "(iii) deliver a copy of the statement by an approved means of electronic communications to an official computer system."
- 12.—(1)** Amend regulation 26 (pension emoluments)(d) as follows.
 (2) For paragraph (1)(b)(ii) substitute—
 "(ii) take one of the steps specified in paragraph (1A); and"

(a) Paragraph (4) was added by regulation 4 of S.I. 1998/2484.

(b) Regulation 23(1) was amended by regulation 5(2) of S.I. 1998/2484.

(c) Relevant amendments are made by regulation 7 of S.I. 1998/2484.

(d) Relevant amendments are made by regulation 8 of S.I. 1998/2484.

(3) After paragraph (1) insert—

“(1A) The steps referred to in paragraph (1)(b)(ii) are—

- (a) sending the statement to the inspector;
- (b) arranging for the particulars contained in the statement to be transmitted electronically to the inspector; and
- (c) delivering a copy of the statement by an approved means of electronic communications to an official computer system.”.

(4) In paragraph (3)(b) for the words from “and either” to the end substitute “and take one of the steps specified in paragraph (4); and”.

(5) After paragraph (3) add—

“(4) The steps referred to in paragraph (3)(b) are—

- (a) sending the copy of the statement to the inspector mentioned in regulation 25(2)(b)(i);
- (b) arranging for the particulars referred to in regulation 25(2)(b)(ii) to be transmitted electronically to that inspector; and
- (c) delivering a copy of the statement by an approved means of electronic communications to an official computer system.”.

13. In regulation 27(1)(b)(a) (particulars to be given on the death of an employee) for “, to be transmitted electronically to the inspector” substitute—

“—

- (i) to be transmitted electronically to the inspector, or
- (ii) to be delivered by an approved means of electronic communications to an official computer system.”.

14.—(1) Amend regulation 28 (employee for whom appropriate code not known)(b) as follows.

(2) In paragraph (1) for the words from “forthwith” to the end substitute “forthwith take one of the steps specified in paragraph (1A).”.

(3) After paragraph (1) insert—

“(1A) The steps referred to in paragraph (1) are—

- (a) providing the inspector with the particulars mentioned in paragraph (1B) in a document provided by the Board or approved by the Board for that purpose;
- (b) transmitting those particulars electronically to the inspector; or
- (c) delivering those particulars to an official computer system by an approved means of electronic communications.

(1B) The particulars are the name and address of the employee, the employee’s national insurance number, the date on which his employment commenced and such other particulars as may be necessary to enable the determination of the appropriate code in accordance with regulation 7.”.

(4) In paragraph (5) for the words from “forthwith” to the end substitute “forthwith take one of the steps specified in paragraph (5A).”.

(5) After paragraph (5) insert—

“(5A) The steps referred to in paragraph (5) are—

- (a) providing the inspector with the particulars mentioned in paragraph (5B) in a document provided by the Board or approved for that purpose;
- (b) transmitting those particulars electronically to the inspector; or

(a) Relevant amendments are made by regulation 9 of S.I. 1998/2484.

(b) Regulation 28 was amended by regulation 10 of S.I. 1998/2484.

- (c) delivering those particulars to an official computer system by an approved means of electronic communications.

(5B) The particulars are the name and address of the person entitled to the pension, the date on which the pension commenced and such other particulars as may be necessary to enable the determination of the appropriate code in accordance with regulation 7.”.

- (6) Omit paragraph (6)(a).

15.—(1) Amend regulation 43 (return by the employer at the end of year where deductions working sheets are required)(b) as follows.

- (2) In paragraph (1) for the words from “render a return” to “paragraph (1A)” substitute—
“, not later than 44 days after the end of the year—

- (a) render a return to the inspector, or, if so required, to the collector;
- (b) transmit information electronically to the inspector or, if so required, to the collector; or
- (c) deliver a return by an approved means of electronic communications to an official computer system;

in such form as the Board may approve or prescribe, containing the particulars specified in paragraph (1A)”.

- (3) For paragraph (1C) substitute—

“(1C) The particulars specified in paragraphs (2) and (6) shall—

- (a) be contained in a document, provided by the Board for that purpose or approved by the Board, which shall accompany the return;
- (b) be transmitted electronically to the inspector or collector to whom—
 - (i) the return is rendered, or
 - (ii) the particulars specified in paragraph (1A) are transmitted; or
- (c) be delivered, by such means of electronic communications as may be approved, to an official computer system.”.

- (4) For paragraph (3) substitute—

“(3) If a return required by paragraph (1) is delivered to an inspector or collector it shall include the statement and declaration specified in paragraph (4) and the certificate specified in paragraph (5).

(3A) If particulars required by paragraph (1)—

- (a) are transmitted electronically to an inspector or collector; or
- (b) are delivered by means of electronic communications to an official computer system;

they shall be accompanied by the statement and declaration specified in paragraph (4) and the certificate specified in paragraph (5).

This is subject to the following qualification.

(3B) Where paragraph (3A) applies—

- (a) paragraphs (4) and (5) shall have effect as if, for “signed by the employer”, there were substituted “authenticated by or on behalf of the employer in such manner as may be approved by the Board”; and
- (b) paragraph (7) shall not apply.”.

16. For regulation 44 (return by employers where deductions working sheet is not required) substitute—

“Return by employer where deductions working sheets not required

44.—(1) A return shall be made in respect of every employee to whom the employer paid emoluments at any time during the year at a rate exceeding the minimum rate, but in respect of whom the employer was not required under these Regulations to prepare a deductions working sheet.

- (2) The employer shall—

- (a) render the return mentioned in paragraph (1) to the inspector;

(a) Paragraph (6) was amended by regulation 10 of S.I. 1998/2484.

(b) Relevant amendments are made by regulation 14 of S.I. 1998/2484.

- (b) transmit the information contained in the return electronically to the inspector; or
- (c) deliver the return by such means of electronic communications as may be approved to an official computer system.”.

17.—(1) Amend regulation 46(a) as follows.

(2) In paragraph (1)—

- (a) after “the employer shall” insert “either”;
- (b) after “with the following particulars” insert “or deliver those particulars in such form and by such means of electronic communications as may be approved to an official computer system”.

(3) For paragraph (1A) substitute—

“(1A) If the particulars specified in paragraph (1) are provided to the inspector or other officer of the Board they shall either—

- (a) be contained in a document provided by the Board or approved by the Board for that purpose; or
- (b) be transmitted electronically.”.

(4) After paragraph (7A) insert the following paragraph—

“(7B) At the same time as he delivers particulars in accordance with this regulation to an official computer system, the employer shall deliver to that system a declaration in such form as may be approved containing the statements specified in sub-paragraphs (a) and (b) of paragraph (7A).”.

18.—(1) Amend regulation 46AA (other additional emoluments—information to be provided to employee by employer)(b) as follows.

(2) In paragraph (1) for the words from “is furnished” to the end substitute—

“—

- (a) is furnished by him to the inspector or other officer of the Board; or
- (b) is delivered by him to an official computer system by such means of electronic communications as may be approved;

under the FPCS arrangement for that year.”.

(3) In paragraph (3) after “of the Board” insert “or delivered to an official computer system by such means of electronic communications as may be approved”.

19.—(1) Amend regulation 46A (return where a car is made available)(c) as follows.

(2) In paragraph (1) for the words from “provide the inspector” to the end substitute—

“, not later than 28 days after the end of each income tax quarter—

- (a) provide the inspector with the particulars specified in paragraph (3) in respect of each relevant employee in a document provided or approved by the Board for that purpose;
- (b) transmit those particulars to the inspector electronically; or
- (c) deliver those particulars by an approved means of electronic communications to an official computer system.”.

(3) Omit paragraph (1A).

20. After regulation 46ZA(d) insert—

“Use of electronic communications and electronic transmission of information

Information delivered electronically on another’s behalf

46ZB. Any information—

- (a) delivered by means of the Board’s Internet Service for PAYE to an official computer system; or

(a) Regulation 46 was amended by regulation 15 of S.I. 1998/2484.

(b) Regulations 46AA and 46AB were inserted by regulation 4 of S.I. 1995/1284. Regulation 46AA was amended by regulation 16 of S.I. 1998/2484 and regulation 46AB by regulation 17 of that instrument.

(c) Regulation 46A was inserted by regulation 4 of S.I. 1994/775 and amended by regulation 18 of S.I. 1998/2484.

(d) Regulation 46ZA was inserted by regulation 4 of S.I. 1994/775.

(b) transmitted electronically to an inspector or collector;
on behalf of any person shall be deemed to have been delivered or transmitted by him unless he proves that they were delivered or transmitted without his knowledge or connivance.”.

21. In regulation 55(2)(aa) (inspection of employer’s records)(a) after “provide to the inspector” insert “or deliver by means of electronic communications to an official computer system”.

PART IV

AMENDMENT OF THE INCENTIVE PAYMENTS REGULATIONS

Amendment of the Incentive Payments Regulations

22. In regulation 4(1) of the Incentive Payments Regulations (incentive payment—return under regulation 43 of the Employments Regulations) for “may” substitute “shall”.

Nick Montagu
Dave Hartnett

19th March 2001

Two of the Commissioners of Inland Revenue

(a) Sub-paragraph (aa) was inserted in regulation 55(2) by regulation 6 of S.I. 1995/447 and amended by regulation 19 of S.I. 1998/2484.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Income Tax (Employments) Regulations 1993 (S.I. 1993/744) (“the Employments Regulations”), the Income Tax (Electronic Communications) Regulations 2000 (S.I. 2000/945) (“the Electronic Communications Regulations”) and the Income Tax (Electronic Communications) (Incentive Payments) Regulations 2001 (S.I. 2001/56) (“the Incentive Payments Regulations”).

Regulation 1(1) provides for the citation and commencement of these Regulations, whilst paragraph (2) of that regulation contains definitions.

Regulation 2 introduces the amendments to the Electronic Communications Regulations.

Regulations 3 to 5 respectively amend regulations 6 to 8 of those Regulations so as to permit the presumption as to the accuracy of official records to be rebutted by evidence.

Regulation 6 adds new regulations 9 and 10 at the end of the Electronic Communications Regulations dealing with certificates as to the content of official records (regulation 9) and as to the presumption that a document purporting to be such a certificate is one, unless the contrary is proved (regulation 10).

Regulation 7 introduces the amendments to the Employments Regulations.

Regulation 8 amends regulation 2 of the Employments Regulations. It inserts into paragraph (1) definitions of “electronic communications” and “official computer system” and substitutes a new paragraph (4) to differentiate between information which is given to or by the Inland Revenue by means of the Board’s Electronic Data Interchange system and that given using the Internet Service for PAYE. It also inserts new paragraphs (4A) and (5A). Paragraph (4A) provides that information is only to be taken to have been transmitted electronically to a computer system maintained by or on behalf of an officer of the Board, or to have been delivered by an approved means of electronic communications to an official computer system, if it is accepted by the system to which it has been transmitted or delivered. Paragraph (5A) deals with certificates as to matters recorded on official computer systems. Paragraph (6) of regulation 2 is consequentially amended.

Regulations 9 to 15 and 17 to 19 make amendments to permit delivery of information to an official computer system by means of an approved method of electronic communications.

Regulation 16 substitutes a new regulation 44 in the Employments Regulations. It permits the delivery of a return of particulars in respect of employees for whom individual deductions working sheets are not required by an approved method of electronic communications to an official computer system or to an inspector or collector by means of electronic transmission.

Regulation 20 deems information delivered on behalf of a person by means of the Board’s Internet Service for PAYE to an official computer system or by means of electronic transmission to the computer system of an officer of the Board, to have been delivered or transmitted by the person on whose behalf it is delivered or transmitted unless he proves that the information was delivered or transmitted without his knowledge or connivance.

Regulation 21 makes a consequential amendment to regulation 55 of the Employments Regulations (which concerns the inspection of an employer’s records).

Regulation 22 makes a drafting correction to the Incentive Payments Regulations.

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