
STATUTORY INSTRUMENTS

2005 No. 2045

The Income Tax (Construction Industry Scheme) Regulations 2005

PART 3

PAYMENT AND RECOVERY OF AMOUNTS DEDUCTED UNDER SECTION 61

Quarterly tax periods

- 8.—**(1) This regulation applies so that the tax period is a tax quarter if a contractor—
- (a) has reasonable grounds for believing that the average monthly amount will be less than £1,500, and
 - (b) chooses to pay tax quarterly.
- (2) “The average monthly amount” is the average, for tax months falling within the current tax year, of the amounts found by the formula—
- $$(P - N + L - S) \quad (SP - CD).$$
- (3) In paragraph (2)—
- P is the amount which would be payable to an officer of Revenue and Customs under regulation 68 of the PAYE Regulations (periodic payments to and recoveries from the Revenue);
- N is the amount which would be payable to an officer of Revenue and Customs under the SSCBA and the SSC Regulations disregarding any amount of secondary Class 1 contributions in respect of which liability has been transferred to the employed earner by an election made jointly by the employed earner and the secondary contributor for the purposes of paragraph 3B(1) of Schedule 1 to the SSCBA (transfer of liability to be borne by earner)⁽¹⁾;
- L is the amount which would be payable to an officer of Revenue and Customs under regulation 39(1) of the Student Loans Regulations (payment of repayments deducted to the Commissioners for Her Majesty’s Revenue and Customs) disregarding the reduction referred to in paragraph (3) of that regulation;
- S is the amount which would be payable by the contractor to the Commissioners for Her Majesty’s Revenue and Customs under regulation 7 during the tax month;
- SP is the amount which would be payable by the contractor to employees by way of statutory sick pay, statutory maternity pay, statutory paternity pay and statutory adoption pay under the SSCBA; and
- CD is—

⁽¹⁾ Paragraph 3B was inserted in Schedule 1 to the Social Security Contributions and Benefits Act 1992 (c. 4) by section 77(2) of the Child Support, Pensions and Social Security Act 2000 (c. 19), and in Schedule 1 to the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7) by section 88(2) of the Child Support, Pensions and Social Security Act 2000.

Status: This is the original version (as it was originally made).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

- (a) if the contractor is a company, the amount which others would deduct from payments to it, in its position as a sub-contractor, under section 61 of the Act;
 - (b) in any other case, nil.
- (4) In this regulation—
- “employed earner” has the same meaning as in the SSCBA;
 - “SSCBA” means the Social Security Contributions and Benefit Act 1992⁽²⁾ or, in Northern Ireland, the Social Security Contributions and Benefit (Northern Ireland) Act 1992⁽³⁾;
 - “SSC Regulations” means the Social Security (Contributions) Regulations 2001⁽⁴⁾;
 - “Student Loan Regulations” means the Education (Student Loans) (Repayment) Regulations 2000⁽⁵⁾ or, in Northern Ireland, the Education (Student Loans) (Repayment) Regulations (Northern Ireland) 2000⁽⁶⁾.

(2) 1992 c. 4.
(3) 1992 c. 7.
(4) S.I.2001/1004.
(5) S.I. 2000/944.
(6) S.R. (N.I.) 2000 No.121.