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## EXPLANATORY NOTE

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

These Regulations further amend the Tonnage Tax (Training Requirement) Regulations 2000 by increasing the amount of the payments which fall to be made in lieu of training. In respect of each eligible officer trainee for whom training is required to be provided under those Regulations, there is to be an increase from £652 to £671, in the amount payable for each month during a relevant four month period commencing on or after 1st October 2008 in which the training commitment of a company or group provides for payment in lieu of training or the company or group does not provide training in accordance with its training commitment. Where a company or group is treated as having failed to meet its training commitment and the higher rate of payment applies, the basic rate to be used in the calculation is increased from £593 to £610.

A Regulatory Impact Assessment has not been prepared for this instrument as it only provides for increases in line with the rate of inflation, before being rounded up to the nearest pound.