
STATUTORY INSTRUMENTS

2015 No. 653

INCOME TAX

**The Income Tax (Deposit-takers and Building Societies)
(Interest Payments) (Amendment) Regulations 2015**

<i>Made</i>	- - - -	<i>11th March 2015</i>
<i>Laid before the House of Commons</i>	- - - -	<i>12th March 2015</i>
<i>Coming into force</i>	- -	<i>6th April 2015</i>

The Commissioners for Her Majesty's Revenue and Customs make the following Regulations in exercise of the powers conferred by sections 852(1), 852(2), 852(4) and 871 of the Income Tax Act 2007⁽¹⁾.

Citation, commencement

1. These Regulations may be cited as the Income Tax (Deposit-takers and Building Societies) (Interest Payments) (Amendment) Regulations 2015 and come into force on 6th April 2015.

Amendment of the Income Tax (Deposit-takers and Building Societies) (Interest Payments) Regulations 2008

2. The Income Tax (Deposit-takers and Building Societies) (Interest Payments) Regulations 2008⁽²⁾ are amended as follows.

3. In regulation 2 (interpretation), in the definition of "certificate" after "non-liability to tax", insert "on savings income⁽³⁾".

4. In the following places insert "on savings income"—

- (a) in the headings to regulation 5 and to regulation 10, after "tax",
- (b) regulation 5 (non-liability certificate), after the first and second mention of "tax",
- (c) regulation 9(5) (notification to financial institution), after the first mention of "tax",
- (d) regulation 11(2)(a) (invalid certificate), after the first mention of "tax", and
- (e) regulation 12(1), (2) and (6) (deduction certificate) after "tax".

⁽¹⁾ 2007 c. 3; section 852 was amended by section 3(4) of the Finance Act 2014 (c. 26).

⁽²⁾ S.I. 2008/2682; to which there are amendments not relevant to these Regulations.

⁽³⁾ Savings income is defined for the purposes of the Income Tax Acts in section 18 of the Income Tax Act 2007.

5. In regulation 6 (prescribed persons)—

(a) for paragraph (1)(e) substitute—

“(e) if the person beneficially entitled to a payment of interest is resident in England and Wales and lacks capacity to make a decision for himself for the purposes of section 2 of the Mental Capacity Act 2005⁽⁴⁾ – a parent, guardian, spouse, civil partner, son or daughter of the person;

(ea) if the person beneficially entitled to a payment of interest is resident in Scotland or Northern Ireland and is suffering from mental disorder – a parent, guardian, spouse, civil partner, son or daughter of the person;”;

(b) for paragraph (1)(f) substitute—

“(f) if the person beneficially entitled to a payment of interest is resident in England and Wales—

(i) a person appointed pursuant to an order under section 16(2)(a) of the Mental Capacity Act 2005; or

(ii) a person appointed a deputy under section 16(2)(b) of that Act;

(fa) if the person beneficially entitled to a payment of interest is resident in Scotland and is incapable by reason of mental disorder of managing and administering their property and affairs – a receiver or other person appointed by any court to act in relation to their property and affairs;

(fb) if the person beneficially entitled to a payment of interest is resident in Northern Ireland and is incapable by reason of mental disorder of managing and administering their property and affairs – a receiver or other person appointed by any court to act in relation to their property and affairs; or”;

(c) in paragraph (2), in the definition of “mental disorder”, omit sub-paragraph (a).

Edward Troup

Jim Harra

Two of the Commissioners for Her Majesty’s
Revenue and Customs

11th March 2015

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Income Tax (Deposit-takers and Building Societies) (Interest Payments) Regulations 2008 (S.I. 2008/2682) (“the principal Regulations”).

Regulation 3 amends regulation 2 of the principal Regulations to change the definition of “certificate” to reflect the change to the circumstances when a person can request a deposit-taker or Building Society to pay interest gross.

Regulation 4 amends regulations 5, 9, 11 and 12 of the principal Regulations to reflect the change to the circumstances in which a person who is beneficially entitled to a payment of interest from a deposit-taker or building society can request that body to pay interest gross.

Regulation 5 amends regulation 6 of the principal Regulations to update it in line with the Mental Capacity Act 2005 as regards the concepts used to determine a person’s mental capacity to enter into arrangements regarding their property if resident in England and Wales.

A Tax Information and Impact Note covering this instrument was published alongside the Finance Bill 2014 and is available on the gov.uk website at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/293793/TIIN_8073_8076_the_starting_rate_of_tax_for_savings.pdf. It remains an accurate summary of the impacts that apply to this instrument.