
STATUTORY INSTRUMENTS

1993 No. 744

The Income Tax (Employments) Regulations 1993

PART V

PAYMENT AND RECOVERY OF TAX, ETC.

Payment

Payment of tax monthly by employer

40.—(1) Subject to regulations 41 and 48(11), the employer shall pay the amount specified in paragraph (2) to the collector within 14 days of the end of every income tax month.

(2) The amount specified in this paragraph shall be determined by the formula—

$$(A + B) - (C + D)$$

where—

A is all amounts of tax which the employer was liable under these Regulations to deduct from emoluments paid by him in that income tax month;

B is all amounts of tax by which deductions in that income tax month were reduced in accordance with regulation 36(3)(b), being amounts in respect of which a reduction was claimed in an earlier income tax month in accordance with C below;

C is any amounts calculated as due to be repaid in that income tax month, but whose repayment was precluded during that income tax month by regulation 36(3); and

D is any amounts which he was liable to repay in that income tax month (excepting any amounts for which a reduction was claimed in any previous income tax month, or which are being recovered from the Board under regulation 42(6)).

Payment of tax quarterly by employer

41.—(1) Subject to regulation 48(11), the employer shall pay the amount specified in paragraph (2) to the collector within 14 days of the end of every income tax quarter where—

(a) the employer has reasonable grounds for believing that the condition specified in paragraph (3) applies and so chooses, or

(b) regulation 20 applies.

(2) The amount specified in this paragraph shall be determined by the formula—

$$(A + B) - (C + D)$$

where—

A is all amounts of tax which the employer was liable under these Regulations to deduct from emoluments paid by him in that income tax quarter;

B is all amounts of tax by which deductions in that income tax quarter were reduced in accordance with regulation 36(3)(b), being amounts in respect of which a reduction was claimed in an earlier income tax quarter in accordance with C below;

C is any amounts calculated as due to be repaid in that income tax quarter, but whose repayment was precluded during that income tax quarter by regulation 36(3); and

D is any amounts which he was liable to repay in that income tax quarter (excepting any amounts for which a reduction was claimed in any previous income tax quarter, or which are being recovered from the Board under regulation 42(6)).

(3) The condition specified in this paragraph is that the average monthly total amount to be paid to the collector under—

- (a) regulation 40,
- (b) the Social Security Contributions and Benefits Act 1992 and the Social Security (Contributions) Regulations 1979(1) or, in Northern Ireland, the Social Security Contributions and Benefits (Northern Ireland) Act 1992 and the Social Security (Contributions) Regulations (Northern Ireland) 1979(2), and
- (c) section 559 of the Taxes Act(3) and the Income Tax (Sub-contractors in the Construction Industry) Regulations 1993(4),

will be less than £450 for income tax months falling within the current year.

Payment of tax by employer—further provisions

42.—(1) The collector shall give a receipt to the employer for the total amount paid under regulation 40 or 41 if so requested; but if a receipt is given for the total amount of tax and any earnings-related contributions paid at the same time, then no separate receipt for tax only need be given.

(2) If the amount specified in regulation 40(2) or 41(2) which the employer is liable to pay to the collector exceeds the amount actually deducted by him from emoluments paid during the relevant income tax period, the collector, on being satisfied by the employer that he took reasonable care to comply with these Regulations and that the under-deduction was due to an error made in good faith, may direct that the amount of the excess shall be recovered from the employee, and, where the collector so directs, the employer shall not be liable to pay the amount of that excess to the collector.

(3) If the amount specified in regulation 40(2) or 41(2) which the employer is liable to pay to the collector exceeds the amount actually deducted by him from emoluments paid during the relevant income tax period, the Board, if they are of the opinion that an employee has received his emoluments knowing that the employer has wilfully failed to deduct the amount of tax which he was liable to deduct under these Regulations from those emoluments, may direct that the amount of the excess shall be recovered from the employee, and, where the Board so direct, the employer shall not be liable to pay the amount of that excess to the collector.

(4) If tax recoverable from an employee under paragraph (3) does not carry interest under section 88 of the Management Act(5), it shall carry interest in accordance with regulation 51 from the reckonable date until whichever is the earlier of—

- (a) the date on which payment is made, or

(1) S.I.1979/591.

(2) S.R. (N.I.) 1979 No. 186.

(3) Section 559 was amended by section 28 of the Finance Act 1988 and by S.I. 1989/2405 (N.I. 19).

(4) S.I. 1993/743.

(5) Section 88 was amended by paragraph 87 of Schedule 6 to the Finance Act 1971 (c. 68), section 46(4) of the Finance (No. 2) Act 1975, section 61(4) of the Finance Act 1980 (c. 48), paragraph 32 of Schedule 29 and Schedule 31 to the Income and Corporation Taxes Act 1988, and sections 159, 160(1), 161 and 179(1) of the Finance Act 1989, and (prospectively) by section 86(4) of the Finance (No. 2) Act 1987 (c. 51).

- (b) the date (if any) immediately before the date on which it begins to carry interest under section 86 of the Management Act(6).
- (5) If a difference arises between the employer and the employee—
 - (a) as to whether the employer has deducted tax, or
 - (b) as to whether, having regard to regulation 22, the employer is deemed to have deducted tax, or
 - (c) as to the amount of the tax that has been deducted, or
 - (d) as to the amount of the tax that is deemed, having regard to regulation 22, to have been deducted

from emoluments paid to the employee, the matter shall, for the purpose of ascertaining the amount of any tax to be recovered from the employee under paragraph (2) or (3), be determined by—

- (i) such General Commissioners as the Board, having regard to all the circumstances, shall direct, or
 - (ii) in the case of a non-resident employee, the Special Commissioners,
- and the determination of those Commissioners shall be final.

(6) If the total of the amounts which the employer was liable to repay during any income tax period exceeds the total of the amounts which he was liable to deduct during that income tax period, the employer shall be entitled to deduct the excess from any subsequent payment which he is liable to make to the collector under regulation 40 or 41 or to recover that excess from the Board; but that excess shall not include any amount for which a reduction was made in a payment under regulation 40 or 41 in a previous income tax period, or any amount which is otherwise being recovered from the Board.

(7) If he has not made any repayment of tax withheld under paragraph (3) of regulation 36 within 42 days after the relevant event specified in sub-paragraph (a) of that paragraph, the employer shall pay the tax not repaid to the collector forthwith, and paragraph (1) of this regulation shall apply to the amount paid.

(8) A certificate of the collector that any amount of interest payable under paragraph (4) has not been paid to him, or, to the best of his knowledge and belief, to any other collector or to any person acting on his behalf or on behalf of another collector, shall be sufficient evidence that the sum mentioned in the certificate is unpaid and due to the Crown.

(9) Any document purporting to be a certificate under paragraph (8) shall be deemed to be such a certificate until the contrary is proved.

Documents relating to the payment of tax

Return by employer at end of year where deductions working sheets required

43.—(1) The employer shall render a return to the inspector or, if so required, to the collector, not later than 44 days after the end of the year, in such form as the Board may approve or prescribe, containing the particulars specified in paragraph (2) in respect of each employee in respect of whom the employer was required at any time during the year to prepare or maintain a deductions working sheet in accordance with these Regulations.

(6) Section 86 was substituted by section 46(1) of the Finance (No. 2) Act 1975; the section as substituted was amended by sections 61(3) and 62(1) and (2) of the Finance Act 1980, Part V of Schedule 16 to the Finance Act 1987 (c. 16), paragraph 32 of Schedule 29 to the Income and Corporation Taxes Act 1988, sections 156(1) and 179(1) of the Finance Act 1989, section 73(4) and (5) of, and paragraph 1 of Schedule 15 to, the Finance Act 1991, sub-paragraphs (1) and (8) of paragraph 2 of Schedule 10 to the Taxation of Chargeable Gains Act 1992 (c. 12) and paragraph 3 of Schedule 11 to, and Part VII(8) of Schedule 18 to, the Finance (No. 2) Act 1992, and (prospectively) by section 86(2) of the Finance (No. 2) Act 1987 and section 158(1) of, and Part VIII of Schedule 17 to, the Finance Act 1989.

(2) The particulars specified in this paragraph are such particulars as the Board may require for the identification of—

- (a) the employee,
- (b) the year to which the return relates,
- (c) the total amount of the emoluments paid by the employer to the employee during that year,
- (d) the appropriate code, and
- (e) subject to regulation 36(4), the total net tax deducted from the emoluments.

(3) The return required by paragraph (1) shall include the statement and declaration specified in paragraph (4) and the certificate specified in paragraph (5).

(4) The statement and declaration specified in this paragraph is a statement and declaration, signed by the employer, in the form approved or prescribed by the Board, containing a list of all deductions working sheets on which the employer was required to keep records in accordance with these Regulations in respect of that year.

(5) The certificate specified in this paragraph is a certificate, signed by the employer, showing—

- (a) the total net tax deducted or the total net tax repaid in the case of each employee, and
- (b) the total net tax deductible or repayable under these Regulations in respect of all his employees,

during that year.

(6) Where an employee has been taken into employment after the beginning of the year, the return made under paragraph (1) shall also show the total amount of—

- (a) any emoluments paid to the employee by any previous employer, and
- (b) any tax deductible or, where required either to be recorded on the deductions working sheet or to be capable of being produced from other records pursuant to regulation 25(4), any tax deducted from those emoluments,

being emoluments and tax which the employer rendering the return was required to take into account for the purposes of deducting or repaying tax in the case of emoluments paid by him.

(7) Where the employer is a body corporate, the statement and declaration specified in paragraph (4) and the certificate specified in paragraph (5) shall be signed either by the secretary or by a director of the body corporate.

(8) If an employer has failed to pay the total net amount of tax which he is liable to pay to the collector within 14 days of the end of any year, the collector may prepare a certificate showing the net amount of tax remaining unpaid for that year.

(9) Paragraphs (1) to (5) of regulation 54 shall apply to the amount shown in a certificate under paragraph (8) with the modification that summary proceedings for the recovery of the net amount of tax or such part of it as remains unpaid may be brought at any time before the expiry of—

- (a) twelve months after the date limited for delivery of the statement specified in paragraph (4), or
- (b) if that statement is not delivered by that date, the expiry of twelve months after its delivery.

(10) A certificate of the collector under paragraph (8) that the net amount of tax remaining unpaid for that year has not been paid to him, or, to the best of his knowledge and belief, to any other collector or to any person acting on his behalf or on behalf of another collector, shall be sufficient evidence that the sum mentioned in the certificate is unpaid and is due to the Crown.

(11) Any document purporting to be a certificate under paragraph (8) shall be deemed to be such a certificate until the contrary is proved.

(12) Section 98A of the Management Act shall apply in relation to the provisions of paragraph (1) requiring a return to be made.

Return by employer where deductions working sheets not required

44. 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.

Additional return in cases involving a trade dispute

45.—(1) In the circumstances specified in paragraph (2), the employer shall forthwith render an additional return containing the particulars specified in paragraph (3) and the statement specified in paragraph (4).

(2) The circumstances specified in this paragraph are where—

- (a) the employer has not made any repayment of tax withheld under regulation 36(3) within 42 days after the relevant event specified in regulation 36(3)(a), and
- (b) a return has been made under regulation 43 in accordance with regulation 36(4)(b).

(3) The particulars specified in this paragraph are, in respect of each employee, such particulars as the Board may require—

- (a) for the identification of the employee,
- (b) of the year to which the return relates, and
- (c) of the total tax not repaid.

(4) The statement specified in this paragraph is a statement containing—

- (a) a list of the names of all employees in respect of whom the additional return is made,
- (b) the amount of tax not repaid in respect of each of those employees, and
- (c) a total of the tax not repaid by the employer for that year.

Return of other additional emoluments

46.—(1) The employer shall render a return or returns to the inspector, not later than 61 days after the end of the year, in such form as the Board may approve or prescribe, containing in respect of each employee—

- (a) the particulars specified in paragraph (2), and,
- (b) in the case of an employee who is employed in employment to which Chapter II of Part V of the Taxes Act applies, the additional particulars specified in paragraph (3).

(2) The particulars specified in this paragraph are particulars of—

- (a) any emoluments given by the employer to the employee otherwise than in money,
- (b) any payments made on behalf of the employee and not repaid,
- (c) any emoluments which the employee is treated by section 141(1) of the Taxes Act as having received in that year by reason of the provision of a non-cash voucher by the employer,
- (d) any emoluments which the employee is treated by section 142(1) of the Taxes Act as having received in that year by reason of the provision of a credit-token by the employer, and
- (e) any living accommodation which has been provided for the employee or for members of his family or household by the employer and of the amount of any emoluments of which

the employee is treated by virtue of section 145 or 146 of the Taxes Act(7), or by virtue of those sections together, as being in receipt in respect of that accommodation.

- (3) The particulars specified in this paragraph are particulars of—
- (a) any payments made by the employer to the employee by reason of his employment in respect of expenses,
 - (b) any sums put by the employer at the disposal of the employee by reason of his employment and paid away by him, and
 - (c) any benefits provided by the employer for the employee (or for any other person) by reason of his employment such as give rise to any charge to tax under sections 154 to 165 of the Taxes Act.

Unpaid tax

Notice and certificate when tax not paid

47.—(1) This regulation applies where, within 14 days of the end of any income tax period, the employer has paid no amount of tax to the collector under regulation 40 or 41 for that income tax period, and the collector is unaware of the amount, if any, which the employer is liable so to pay.

(2) Where this regulation applies, the collector may give notice to the employer, requiring him to render, within 14 days, a return in such form as the Board may prescribe showing the amount of tax which the employer is liable to pay to the collector under regulation 40 or 41 in respect of the income tax period in question.

(3) Where a notice given by the collector under paragraph (2) extends to two or more consecutive income tax periods, these Regulations shall have effect as if those consecutive income tax periods were one income tax period.

(4) The collector may give a notice under paragraph (2) notwithstanding that an amount of tax has been paid to him by the employer under regulation 40 or 41 for an income tax period, if he is not satisfied that the amount so paid is the full amount which the employer is liable to pay to him for that income tax period, and this regulation shall have effect accordingly.

(5) Upon receipt of a return made by the employer under paragraph (2), the collector may prepare a certificate showing the amount of tax which the employer is liable to pay to him for the income tax period in question.

(6) Paragraphs (1) to (5) of regulation 54 shall apply to the amount shown in a certificate under paragraph (5).

(7) The production of the return made by the employer under paragraph (2) and of the certificate of the collector under paragraph (5) shall be sufficient evidence that the amount shown in the certificate is the amount of tax which the employer is liable to pay to the collector in respect of the income tax period in question.

(8) Any document purporting to be a certificate under paragraph (5) shall be deemed to be such a certificate until the contrary is proved.

Notice of specified amount and certificate when tax not paid

48.—(1) This regulation applies where, after 14 days following the end of any income tax period, the employer has paid no amount of tax to the collector under regulation 40 or 41 for that income tax period, despite demand being made, and there is reason to believe that the employer is liable so to pay.

(7) Section 146 was amended by section 179(5) of the Finance Act 1989.

(2) Where this regulation applies, the collector, upon consideration of the employer's record of past payments, may to the best of his judgment specify the amount of tax which he considers the employer is liable to pay, and serve notice on the employer of that amount.

(3) Where the employer has paid no amount under regulation 40 or 41 for the relevant income tax periods, the collector may give a notice under paragraph (2) which extends to two or more consecutive income tax periods, and these Regulations shall have effect as if those income tax periods were the latest income tax period specified in the notice.

(4) The collector may give a notice under paragraph (2) notwithstanding that an amount of tax has been paid to him by the employer under regulation 40 or 41 for any income tax period, if he is not satisfied, after seeking the employer's explanation, that the amount so paid is the full amount which the employer is liable to pay to him for that income tax period, and this regulation shall have effect accordingly.

(5) If, during the period allowed in a notice given by the collector under paragraph (2), the employer claims, but does not satisfy the collector, that the payment made in respect of the income tax period specified in the notice is the full amount he is liable to pay to the collector for that income tax period, then—

- (a) the employer may require the collector to inspect the employer's documents and records as if the collector had called upon the employer to produce those documents and records in accordance with regulation 55(1), and
- (b) regulation 55 shall apply to that inspection, and the notice given by the collector under paragraph (2) shall be disregarded.

(6) Subject to paragraph (7), if the specified amount of tax, or any part of it, is unpaid on the expiration of the period of seven days allowed in the notice, the amount so unpaid shall—

- (a) be certified by the collector, and
- (b) be deemed to be an amount of tax which the employer was liable to pay for that income tax period in accordance with regulation 40 or 41.

(7) Paragraph (6) shall not apply if, during the period allowed in the notice—

- (a) the employer pays the full amount of tax which he is liable to pay to the collector under regulation 40 or 41 for that income tax period, or
- (b) the employer satisfies the collector that no amount, or no further amount, is due for that income tax period.

(8) Paragraphs (1) to (5) of regulation 54 shall apply to the amount shown in a certificate under paragraph (6).

(9) The production of a certificate under paragraph (6) shall be sufficient evidence that the employer is liable to pay the amount shown in the certificate to the collector.

(10) Any document purporting to be a certificate under paragraph (6) shall be deemed to be such a certificate until the contrary is proved.

(11) Notwithstanding anything in this regulation, if the employer pays any amount certified by the collector under this regulation and that amount exceeds the amount which he would have been liable to pay in respect of that income tax period apart from this regulation, he shall be entitled to set off such excess against any amount which he is liable to pay to the collector under regulation 40 or 41 for any subsequent income tax period.

(12) If the employer renders the return required by regulation 43(1) after the end of the year, and pays the total net tax which he is liable to pay, any excess of tax paid, and not otherwise recovered by set-off in accordance with this regulation shall be repaid.

Formal determination of tax payable by employer

49.—(1) This regulation applies where it appears to the inspector that there may be tax payable under regulation 40 or 41 which—

- (a) has not been paid to the collector, and
- (b) has not been certified by the collector under regulation 43, 47, 48 or 55.

(2) Where this regulation applies, the inspector may determine the amount of that tax to the best of his judgment, and shall serve notice of his determination on the employer.

(3) A determination under this regulation shall not include tax in respect of which a direction under regulation 42(2) or (3) has been made; and directions under that regulation shall not apply to tax determined under this regulation.

(4) A determination under this regulation may—

- (a) cover the tax payable by the employer under regulation 40 or 41 for any one or more income tax periods in a year, and
- (b) extend to the whole of that tax or to such part of it as is payable in respect of a class or classes of employees specified in the notice of determination (without naming the individual employees) or of one or more named employees so specified.

(5) Where—

- (a) any part of the tax determined under this regulation is not paid within 30 days from the date on which the determination became final and conclusive, and
- (b) the Board consider that a direction under regulation 42(3) would, but for paragraph (3) of this regulation, have been made,

the Board may direct that such part of that tax as it appears to them should have been but was not deducted under these Regulations by the employer on payment of the relevant emoluments shall (without prejudice to the right of recovery from the employer) be recovered from the employee.

(6) If tax recoverable from an employee under paragraph (5) does not carry interest under section 88 of the Management Act, it shall be recoverable from the employee together with interest in accordance with—

- (a) regulation 50, in relation to any year not later than the year ended 5th April 1992, from the reckonable date (as defined in that regulation), or
- (b) regulation 51, in relation to the year ended 5th April 1993 or any subsequent year, from the reckonable date (as defined in that regulation)

until whichever is the earlier of—

- (i) the date on which payment is made, or
- (ii) the date (if any) immediately before the date on which it begins to carry interest under section 86 of the Management Act.

(7) A determination under this regulation shall be subject to the like provisions as are contained in Parts IV, V and VI of the Management Act as if it was an assessment, and as if the amount of tax determined was income tax charged on the employer, and those Parts of that Act shall apply accordingly with any necessary modifications.

(8) Regulation 100 shall apply, with the necessary modifications, to appeals against determinations under this regulation as it applies to appeals against assessments of emoluments.

(9) A certificate of the collector that any amount of interest payable under paragraph (6) has not been paid to him, or, to the best of his knowledge and belief, to any other collector or to any person acting on his behalf or on behalf of another collector, shall be sufficient evidence that the sum mentioned in the certificate is unpaid and due to the Crown.

(10) Any document purporting to be a certificate under paragraph (9) shall be deemed to be such a certificate until the contrary is proved.

Interest on unpaid tax which has been formally determined

50.—(1) Where—

- (a) an employer has not paid an amount of tax to the collector under regulation 40 or 41, and
- (b) the inspector, at any time after 19th April 1988, makes a determination of the amount of such tax under regulation 49, and
- (c) the determination does not relate to a year later than the year ended 5th April 1992, and
- (d) tax is payable pursuant to that determination,

the tax so payable shall carry interest at the prescribed rate from the reckonable date until payment.

(2) Subject to paragraph (3), in this regulation “the reckonable date” means the 14th day after the end of the year to which the determination relates and, for the purposes of this regulation, where tax payable by the employer for any one or more income tax periods is covered by a determination, that determination shall relate to the year of which that period forms part.

(3) Where, at any time after 19th April 1988, an inspector makes a determination that relates to a year earlier than the year ending on 5th April 1988, then tax payable in accordance with that determination shall carry interest at the prescribed rate from 19th April 1988 until payment and in those circumstances that date shall be the reckonable date.

Interest on tax overdue—general

51.—(1) Subject to paragraph (2), where, in relation to the year ended 5th April 1993 or any subsequent year, an employer has not within 14 days after the end of a year paid to the collector the total net tax deductible by him in respect of all his employees during that year, the tax not so paid shall carry interest at the prescribed rate from the reckonable date until payment.

(2) Paragraph (1) shall not apply to any tax in respect of which a direction under regulation 42(2) or (3) has been made.

(3) In this regulation “the reckonable date”, in relation to any year, means the 14th day after the end of that year.

(4) A certificate of the collector that any amount of interest payable under this regulation has not been paid to him, or, to the best of his knowledge and belief, to any other collector or to any person acting on his behalf or on behalf of another collector, shall be sufficient evidence that the sum mentioned in the certificate is unpaid and due to the Crown.

(5) Any document purporting to be a certificate under paragraph (4) shall be deemed to be such a certificate until the contrary is proved.

Interest on tax overdue—further provisions

52.—(1) In regulation 50 and 51 “the prescribed rate” means the rate applicable under section 178 of the Finance Act 1989(8) for the purposes of section 86 of the Management Act; and where that rate changes on an operative date within the meaning given by regulation 2 of the Taxes (Interest Rate) Regulations 1989(9) by virtue of those Regulations, the change shall have effect for periods

(8) Section 178 was amended by section 17(10) of the Social Security Act 1990 (c. 27), paragraph 107 of Schedule 2 to the Social Security (Consequential Provisions) Act 1992 (c. 6), paragraph 19(4) of Schedule 10 to the Taxation of Chargeable Gains Act 1992 and paragraph 5 of Schedule 11 to the Finance (No.2) Act 1992.

(9) S.I. 1989/1297, to which there are amendments not relevant to these Regulations.

beginning on or after the operative date in relation to interest running from before that date as well as from or from after that date.

(2) The tax payable to which regulation 50(1) or 51(1) applies shall carry interest from the reckonable date even if that date is a non-business day within the meaning of section 92 of the Bills of Exchange Act 1882⁽¹⁰⁾.

(3) Interest payable under regulation 50 or 51 shall be recoverable as if it were an amount of tax which an employer is liable under regulation 40 or 41 to pay to the collector.

Interest on tax overpaid

Interest on tax overpaid by employer

53.—(1) Where tax in respect of the year ended 5th April 1993 or any subsequent year is repaid to an employer in the circumstances specified in paragraph (2), the tax repaid shall carry interest at the prescribed rate from the relevant time until the order for the repayment is issued.

(2) The circumstances specified in this paragraph are where the tax is repaid—

- (a) after the end of the year following that in respect of which the tax was paid, and
- (b) after the end of the year in which the tax was paid.

(3) In this regulation “the prescribed rate” means the rate applicable under section 178 of the Finance Act 1989 for the purposes of section 824 of the Taxes Act⁽¹¹⁾; and where that rate changes on an operative date within the meaning given by regulation 2 of the Taxes (Interest Rate) Regulations 1989 by virtue of those Regulations, the change shall have effect for periods beginning on or after the operative date in relation to interest running from before that date as well as from or from after that date.

(4) In this regulation “the relevant time” means—

- (a) in the case of a repayment of tax which was paid more than twelve months after the end of the year in respect of which the payment was made, the end of the year in which that tax was paid; and
- (b) in any other case, the end of the year after the year in respect of which the payment was made.

Recovery

Recovery of tax

54.—(1) Subject to paragraph (3), the provisions of any enactment relating to the recovery of income tax charged under Schedule E shall apply to the recovery of the amount of tax specified in paragraph (2) (in this regulation referred to as “the amount of tax”) as if the amount of tax had been charged under Schedule E by way of an assessment on the employer.

(2) The amount of tax specified in this paragraph is any amount of tax which an employer is liable under regulation 40 or 41, or is deemed liable under regulation 48, to pay to the collector for any income tax period.

(3) Summary proceedings for the recovery of the amount of tax may be brought in England, Wales or Northern Ireland at any time before the expiry of twelve months—

⁽¹⁰⁾ 1882 c. 61; section 92 was amended by sections 3(1) and 4(4) of the Banking and Financial Dealings Act 1971 (c. 80).

⁽¹¹⁾ Section 824 was amended by paragraph 7 of Schedule 13 to the Finance Act 1988, sections 110(5), 111(4), 158(2) and 179(1) of, and Parts IV, VIII and X of Schedule 17 to, the Finance Act 1989, and sub-paragraphs (1) and (52) of paragraph 14 of Schedule 10 to the Taxation of Chargeable Gains Act 1992.

- (a) after the date on which the amount of tax became payable, or
- (b) where a return has been required under regulation 47, after the date of the delivery of that return to the collector.

(4) Proceedings may be brought for the recovery of the amount of tax without distinguishing the amounts which the employer is liable to pay in respect of each employee and without specifying the employees in question, and the amount of tax shall be one cause of action or one matter of complaint for the purposes of—

- (a) proceedings under section 66 of the Management Act(12), and
- (b) summary proceedings, including, in Scotland, proceedings in the sheriff court.

(5) Nothing in paragraph (4) shall prevent the bringing of separate proceedings for the recovery of each of the several amounts which the employer is liable to pay for any income tax period in respect of his several employees.

(6) A certificate of the collector that the amount of tax has not been paid to him, or, to the best of his knowledge and belief, to any other collector or to any person acting on his behalf or on behalf of another collector, shall be sufficient evidence that the sum mentioned in the certificate is unpaid and due to the Crown.

(7) Any document purporting to be a certificate under paragraph (6) shall be deemed to be such a certificate until the contrary is proved.

Inspection of records

Inspection of employer's records

55.—(1) Every employer, whenever called upon to do so by any authorised officer of the Board, shall produce the records specified in paragraph (2) to that officer for inspection, at such time as that officer may reasonably require, at the prescribed place.

- (2) The records specified in this paragraph are—
 - (a) all wages sheets, deductions working sheets, certificates given in accordance with regulations 29(1) and 30(1) (other than those which the employer has sent to the inspector) and other documents and records whatsoever relating to the calculation or payment of the emoluments of his employees in respect of the years or income tax periods specified by such officer or to the deduction of tax from such emoluments; or
 - (b) such of those wages sheets, deductions working sheets, certificates or other documents and records as may be specified by the authorised officer.
- (3) “The prescribed place” mentioned in paragraph (1) means—
 - (a) such place in the United Kingdom as the employer and the authorised officer may agree upon; or
 - (b) in default of such agreement, the place in the United Kingdom at which the documents and records referred to in paragraph (2)(a) are normally kept; or
 - (c) in default of such agreement and if there is no such place as is referred to in subparagraph (b) above, the employer's principal place of business in the United Kingdom.
- (4) The authorised officer may—
 - (a) take copies of, or make extracts from, any document produced to him for inspection in accordance with paragraphs (1) and (2);

(12) Section 66 was amended by paragraph 36 of Schedule 2 to the County Courts Act 1984 (c. 28), section 57(2) of the Finance Act 1984 and by S.I. 1980/397 (N.1.3) and 1991/724.

- (b) remove any document so produced if it appears to him to be necessary to do so, at a reasonable time and for a reasonable period.
- (5) Where any document is removed in accordance with paragraph (4)(b), the authorised officer shall provide—
 - (a) a receipt for any document so removed; and
 - (b) a copy of the document, free of charge, within seven days, to the person by whom it was produced or caused to be produced where the document is reasonably required for the proper conduct of a business.
- (6) Where a lien is claimed on a document produced in accordance with paragraphs (1) and (2), the removal of the document under paragraph (4)(b) shall not be regarded as breaking the lien.
- (7) Where records are maintained by computer, the person required to make them available for inspection shall provide the authorised officer with all facilities necessary for obtaining information from them.
- (8) By reference to the information obtained from an inspection of the documents and records produced under paragraphs (1) and (2), the collector may, on the occasion of each inspection, prepare a certificate showing—
 - (a) the amount of tax which it appears from the documents and records so produced that the employer is liable to pay to the collector for the years or income tax periods covered by the inspection; and
 - (b) any amount of such tax which has not been paid to him or, to the best of his knowledge and belief, to any other collector or to any person acting on his behalf or on behalf of another collector.
- (9) Paragraphs (1) to (5) of regulation 54 shall apply to the amount shown in a certificate under paragraph (8), with the modification that summary proceedings for the recovery of the amount of tax, or such part of it as remains unpaid, may be brought at any time before the expiry of twelve months after the date of the certificate.
- (10) The production of a certificate under paragraph (8) shall be sufficient evidence that the employer is liable to pay the amount shown in the certificate pursuant to paragraph (8)(b) to the collector in respect of the years or income tax periods mentioned in the certificate.
- (11) Any document purporting to be a certificate under paragraph (8) shall be deemed to be such a certificate until the contrary is proved.
- (12) For the purposes of paragraphs (1) and (2), such of the wages sheets, deductions working sheets, certificates and other documents and records mentioned in those paragraphs as are not required by other provisions of these Regulations to be sent to the inspector or collector shall be retained by the employer for not less than three years after the end of the year to which they relate.