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*Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 1997, Paragraph 12. (See end of Document for details)*

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## SCHEDULES

### SCHEDULE 2

#### ADMINISTRATION AND COLLECTION OF WINDFALL TAX

##### *Interest*

- 12 (1) Where any amount of windfall tax with which a company is charged is not paid before the time by which it is required to be paid under paragraph 3 above, that amount of that tax shall carry interest from that time until payment.
- (2) Sub-paragraph (1) above applies to an amount whether or not the payment of that amount is postponed under section 55 of the Management Act (as applied by paragraph 9(6) above).
- (3) Any amount paid by way of windfall tax which is repayable shall carry interest from whichever is the later of—
- (a) the time by which that amount was required to be paid under paragraph 3 above, and
  - (b) the time when that amount was in fact paid,
- until the time when that amount is repaid.
- (4) The rate of interest under this paragraph for any period shall be—
- (a) in the case of interest under sub-paragraph (1) above, the rate applicable under section 178 of the <sup>M1</sup>Finance Act 1989 for the purposes of section 87A of the Management Act (interest on unpaid corporation tax); and
  - (b) in the case of interest under sub-paragraph (3) above, the rate applicable under section 178 of the Finance Act 1989 for the purposes of section 826 of the Taxes Act 1988 (interest on overpaid corporation tax).
- (5) Where any amount paid by way of windfall tax is repayable to a person who has paid interest under sub-paragraph (1) above, that person shall be entitled to a repayment of so much of that interest as would represent the interest paid on that amount if, after—
- (a) making an appropriate apportionment of the payments made to the Board between the instalments due from the person making them, and
  - (b) taking account of any previous repayment,
- it is assumed that the amount repayable is to be equated with the most recent payment or payments made to the Board.
- (6) Interest under sub-paragraph (1) above—
- (a) shall be paid without any deduction of income tax; and
  - (b) shall not be allowed as a deduction in computing income, profits or losses for any of the purposes of the Tax Acts;
- and interest paid under sub-paragraph (3) above shall be disregarded in computing income, profits or losses for any such purposes.

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**Marginal Citations**

**M1** 1989 c. 26.

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