



Finance Act 1998

1998 CHAPTER 36

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER I

INCOME TAX AND CORPORATION TAX

Construction industry workers

55 Construction workers supplied by agencies

- (1) In section 134 of the Taxes Act 1988, subsection (5)(c) (which exempts from charge by virtue of that section the remuneration of construction workers who are sub-contractors supplied by agencies) shall cease to have effect.
- (2) In section 559 of the Taxes Act 1988 (deductions on account of tax etc. from payments to certain sub-contractors), in subsection (1), for “subsection (2) below” there shall be substituted “the following provisions of this section”; and after subsection (1) there shall be inserted the following subsection—
 - “(1A) Subsection (1) above shall not apply to any payment made under the contract in question that is chargeable to income tax under Schedule E by virtue of section 134(1).”
- (3) Subsections (1) and (2) above have effect in relation to—
 - (a) any payments made on or after 6th April 1998 other than any made in respect of services rendered before that date; and
 - (b) any payments made before 6th April 1998 in respect of services to be rendered on or after that date.