Income Tax Act 2007

2007 CHAPTER 3

PART 15

DEDUCTION OF INCOME TAX AT SOURCE

CHAPTER 3

DEDUCTION FROM CERTAIN PAYMENTS OF YEARLY INTEREST

Exceptions from duty to deduct

887 [[F1]Payments made by registered societies]

(1) The duty to deduct a sum representing income tax under section 874 does not apply to either of the following payments if they are payable to a person whose usual place of abode is in the United Kingdom—

(a) a payment of interest made by a **[**[F2]registered society**]** in respect of any mortgage, loan, loan stock or deposit, or

(b) any interest, dividend, bonus or other sum payable to a shareholder of such a society by reference to the amount of the shareholder's holding in the share capital of the society.

(2) A **[**[F3]registered society**]** must, within 3 months after the end of each of its accounting periods, deliver to an officer of Revenue and Customs a return containing the information mentioned in subsection (3).

(3) That information is—

(a) the name and place of residence of every person to whom the society has, as a result of this section, made one or more payments in the period amounting in total to at least £15 without deducting a sum (or sums) representing income tax, and

(b) the amount so paid in the period to each of those persons.

(4) See **[**[F4]section 500(2) of CTA 2009**]** as to the consequences of not making a return as required by subsection (2).

[[F5](5) In this Chapter "registered society" means—

(a) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014,

(b) a society registered or treated as registered under the Industrial and Provident Societies Act (Northern Ireland) 1969.

(c) a society registered as a credit union under the Credit Unions (Northern Ireland) Order 1985 (S.I. 1985/1205 (N.I. 12)), or

(d) an SCE formed in accordance with Council Regulation (EC) No 1435/2003 on the Statute for a European Cooperative Society.**]**

(6) For the purposes of this section crediting interest (or amounts treated as interest) counts as paying it.

Textual Amendments

F1 S. 887 heading substituted (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 110(2)** (with Sch. 5)

F2 Words in s. 887(1)(a) substituted (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 110(3)** (with Sch. 5)

F3 Words in s. 887(2) substituted (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 110(4)** (with Sch. 5)

F4 Words in s. 887(4) substituted (with effect in accordance with s. 381(1) of the amending Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), **Sch. 8 para. 307** (with Sch. 9 paras. 1-9, 22)

F5 S. 887(5) substituted (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 110(5)** (with Sch. 5) (as amended (1.8.2014) by Finance Act 2014 (c. 26), Sch. 39 paras. 11, 15)

Changes to legislation:
There are currently no known outstanding effects for the Income Tax Act 2007, Section 887.