

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations, which come into force on 1st October 1993, are made under provisions in Schedule 23A to the Income and Corporation Taxes Act 1988 (“Schedule 23A”). Schedule 23A was inserted by section 58 of, and Schedule 13 to, the Finance Act 1991. The Regulations contain provisions which apply to manufactured overseas dividends in respect of overseas securities as those terms are defined in Schedule 23A.

Regulation 1 provides for citation and commencement, and regulation 2 contains definitions.

Regulation 3 prescribes the rates of relevant withholding tax which are to apply in relation to manufactured overseas dividends.

Regulation 4 provides that in certain circumstances approved manufactured overseas dividends paid to approved United Kingdom intermediaries or approved United Kingdom collecting agents may be paid without deduction of tax but that, subject to certain exceptions, such persons shall account for tax on those manufactured overseas dividends received by them.

Regulation 5 provides that manufactured overseas dividends paid by approved United Kingdom intermediaries to persons beneficially entitled who are resident outside the United Kingdom may be paid without deduction of tax in certain circumstances.

Regulation 6 provides for the retention and keeping of records of notices given under regulation 4 or 5, and enables the Board of Inland Revenue (“the Board”) to require an issuer of such notices who fails to keep records of them to carry out an audit of manufactured overseas dividends received by him and to account for any tax which should have been deducted from such manufactured overseas dividends under paragraph 4(2) of Schedule 23A.

Regulation 7 provides that in certain circumstances a recipient resident in the United Kingdom of manufactured overseas dividends paid by a person not resident in the United Kingdom need not account for tax in respect of the dividends as required by paragraph 4(3) of Schedule 23A, but that he may be required by the Board to carry out an audit of such dividends received by him and to account for any tax due under paragraph 4(3) if he fails to keep records of dividends received or paid by him.

Regulation 8 provides that a manufactured overseas dividend to which regulation 4, 5 or 7 applies shall be treated in relation to the recipient of the payment as if it were an overseas dividend.

Regulation 9 provides that an approved United Kingdom intermediary shall be entitled to set off tax on overseas dividends and manufactured overseas dividends received by him in any chargeable period against tax on approved manufactured overseas dividends paid by him in that period and to account to the Board for, or as the case may be, claim credit in respect of, the balance, except that the entitlement to set off does not apply in the case of certain overseas dividends and manufactured overseas dividends which can be matched against, or identified with, each other under regulation 10.

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Income Tax (Manufactured Overseas Dividends) Regulations 1993. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

Regulation 10 sets out the rules for determining whether overseas dividends and manufactured overseas dividends fall to be matched against each other, and provides for the forwarding of tax vouchers relating to overseas dividends matched against manufactured overseas dividends.

Regulation 11 makes provision for the payment of tax pursuant to paragraph 4(2) or (3) of Schedule 23A, or under these Regulations, and provides for the making of returns, and for the assessment and recovery of tax due.

Regulations 12 and 13 provide for the tax treatment of manufactured overseas dividends which are representative of foreign dividends, interest on quoted Eurobonds, or overseas public revenue dividends, and for accounting for tax in respect of such manufactured overseas dividends.

Regulation 14 provides for the keeping of records by overseas dividend manufacturers and approved United Kingdom collecting agents in respect of certain manufactured overseas dividends paid without deduction of tax, and for the carrying out of an audit of such manufactured overseas dividends in the event of a failure to keep records as required.

Regulation 15 provides for the furnishing of vouchers by overseas dividend manufacturers and approved United Kingdom collecting agents to the recipients of manufactured overseas dividends which are paid under deduction of tax or in respect of which tax has been accounted for and paid.

Regulation 16 applies with modifications the information powers conferred on the Board by section 21 of the Taxes Management Act 1970 to businesses carried on by approved United Kingdom intermediaries and approved United Kingdom collecting agents.

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[View outstanding changes](#)

**Changes and effects yet to be applied to :**

- reg. 1 coming into force by S.I. 1993/2004 reg. 1
- reg 2 defn(s) am by S.I. 2003/2582 regs 23(1)3(2)(a)
- reg 2 am by S.I. 2003/2582 regs 23(1)(3)
- reg. 2 coming into force by S.I. 1993/2004 reg. 1
- reg 2 defn(s) rev by S.I. 2003/2582 regs 23(1)3(2)(b)
- reg 2 defn(s) subst by S.I. 2003/2582 regs 23(1)3(2)(c)
- reg. 2 words inserted by S.I. 1996/1229 reg. 3(b)(i)
- reg. 2 words omitted by S.I. 1996/1229 reg. 3(a)
- reg. 2 words omitted by S.I. 1996/1229 reg. 3(d)
- reg. 2 words substituted by S.I. 1995/1324 reg. 3
- reg. 2 words substituted by S.I. 1996/1229 reg. 3(b)(ii)
- reg. 2 words substituted by S.I. 1996/1229 reg. 3(c)
- reg 3 am by S.I. 2003/2582 regs 24(1)(2)
- reg. 3 coming into force by S.I. 1993/2004 reg. 1
- reg 3 rev in pt by S.I. 2003/2582 regs 24(1)(3)
- reg. 3(1) words substituted by S.I. 2007/2487 reg. 3(2)
- reg 4 am by S.I. 2003/2582 regs 25
- reg. 4 coming into force by S.I. 1993/2004 reg. 1
- reg. 4 words substituted by S.I. 1996/1229 reg. 4(a)
- reg. 4 words substituted by S.I. 1996/1229 reg. 4(b)
- reg. 4(1)(c) revoked by S.I. 2004/2310 Sch. para. 73(2)
- reg. 4(2) substituted by S.I. 1997/988 reg. 4
- reg. 4(2)(a) word omitted by S.I. 2011/1787 reg. 4(a)
- reg 5 am by S.I. 2003/2582 regs 26
- reg. 5 coming into force by S.I. 1993/2004 reg. 1
- reg. 5 words substituted by S.I. 1996/1229 reg. 4(a)
- reg. 5 words substituted by S.I. 1996/1229 reg. 4(b)
- reg. 5(2)(b)(iii) words inserted by S.I. 2011/2503 reg. 3
- reg. 5(2)(b)(ii) word inserted by S.I. 1996/2643 reg. 6(a)
- reg. 5(2)(b)(ii) word omitted by S.I. 2011/1787 reg. 5(a)
- reg. 5(2)(b)(ii) words inserted by S.I. 1996/2643 reg. 6(b)
- reg 6 am by S.I. 2003/2582 regs 27
- reg. 6 coming into force by S.I. 1993/2004 reg. 1
- reg. 6 heading words substituted by S.I. 2011/2503 reg. 6(2)
- reg. 6(1) words substituted by S.I. 2011/2503 reg. 6(3)
- reg 7 am by S.I. 2003/2582 regs 28(a)
- reg. 7 coming into force by S.I. 1993/2004 reg. 1
- reg 7 rev in pt by S.I. 2003/2582 regs 28(b)
- reg. 7 words substituted by S.I. 1996/1229 reg. 4(a)
- reg. 7 words substituted by S.I. 1996/1229 reg. 4(b)
- reg. 7(2)(c) words inserted by S.I. 2011/1787 reg. 7(a)
- reg 8 am by S.I. 2003/2582 regs 29
- reg. 8 coming into force by S.I. 1993/2004 reg. 1
- reg. 9 coming into force by S.I. 1993/2004 reg. 1
- reg. 9(1) words inserted by S.I. 2010/925 reg. 5(2)
- reg. 9(2)(b) words substituted by S.I. 1996/2643 reg. 10(b)(ii)
- reg. 9(2)(c) and word omitted by S.I. 1996/1229 reg. 5
- reg. 9(3) words inserted by S.I. 1996/2643 reg. 10(c)(i)
- reg. 9(3) words substituted by S.I. 1996/2643 reg. 10(c)(ii)
- reg. 9(4)(a) words inserted by S.I. 1996/2643 reg. 10(d)

- reg. 9(4)(b) words inserted by S.I. 1996/2643 reg. 10(d)
- reg. 9(5) words substituted by S.I. 1996/2643 reg. 10(f)(i)
- reg. 9(5) words substituted by S.I. 1996/2643 reg. 10(f)(ii)
- reg. 9(6) words substituted by S.I. 1996/2643 reg. 10(f)(i)
- reg. 9(6) words substituted by S.I. 1996/2643 reg. 10(f)(ii)
- reg. 9(7)(a) words inserted by S.I. 1996/2643 reg. 10(g)
- reg. 9(8) words substituted by S.I. 1996/2643 reg. 10(h)
- reg 10 am by S.I. 2003/2582 regs 211
- reg. 10 coming into force by S.I. 1993/2004 reg. 1
- reg. 10(1)(a)(i) words substituted by S.I. 1995/1324 reg. 6(a)
- reg. 10(1)(a)(iii) word substituted by S.I. 1997/988 reg. 8
- reg. 10(1)(a)(iii) words substituted by S.I. 1995/1324 reg. 6(b)
- reg. 10(1)(a)(iii) words substituted by S.I. 1996/2643 reg. 11(a)
- reg. 10(1)(b) words substituted by S.I. 2007/2487 reg. 8
- reg. 10(2)-(4) omitted by S.I. 2011/2503 reg. 7
- reg. 10(2)(3) substituted by S.I. 1996/2643 reg. 11(b)
- reg. 10(4)(a) words inserted by S.I. 1996/2643 reg. 11(c)
- reg. 11 coming into force by S.I. 1993/2004 reg. 1
- reg. 11(1)(d) word omitted by S.I. 1996/1229 reg. 6(a)
- reg. 11(2) word substituted by S.I. 1997/988 reg. 9(1)
- reg. 11(2)(a)(i) word omitted by S.I. 1996/1229 reg. 6(a)
- reg. 11(2)(a)(ii) omitted by S.I. 1996/1229 reg. 6(b)
- reg. 11(2)(c) word omitted by S.I. 1996/1229 reg. 6(a)
- reg. 12 coming into force by S.I. 1993/2004 reg. 1
- reg. 12(1) substituted by S.I. 1996/2643 reg. 12(a)
- reg. 12(1)(a) words substituted by S.I. 1996/1229 reg. 7(a)(i)
- reg. 12(1)(b) words substituted by S.I. 1996/1229 reg. 7(a)(ii)
- reg. 12(1)(c) and word omitted by S.I. 1996/1229 reg. 7(a)(iii)
- reg. 12(2)(a) words inserted by S.I. 1996/2643 reg. 12(b)(i)
- reg. 12(2)(a) words omitted by S.I. 1996/2643 reg. 12(b)(ii)
- reg. 12(2)(a) words omitted by S.I. 1997/2706 reg. 2(a)
- reg. 12(2)(a) words substituted by S.I. 1996/1229 reg. 7(b)(i)
- reg. 12(2)(b) substituted by S.I. 1996/1229 reg. 7(b)(ii)
- reg. 13 coming into force by S.I. 1993/2004 reg. 1
- reg. 13 omitted by S.I. 1996/2643 reg. 13
- reg. 13(1)(a) words substituted by S.I. 1996/1229 reg. 8(a)
- reg. 13(2)(a) words substituted by S.I. 1996/1229 reg. 8(b)(i)
- reg. 13(2)(b) substituted by S.I. 1996/1229 reg. 8(b)(ii)
- reg 14 am by S.I. 2003/2582 regs 212
- reg. 14 coming into force by S.I. 1993/2004 reg. 1
- reg. 15 coming into force by S.I. 1993/2004 reg. 1
- reg. 15(1) words omitted by S.I. 1996/2643 reg. 14(a)
- reg. 15(1) words substituted by S.I. 2011/2503 reg. 8(2)
- reg. 15(2) omitted by S.I. 2011/2503 reg. 8(3)
- reg. 15(2) words omitted by S.I. 1996/2643 reg. 14(b)
- reg. 16 coming into force by S.I. 1993/2004 reg. 1
- reg. 16 omitted by S.I. 1997/987 reg. 8(4)
- reg. 16 substituted by S.I. 1996/1229 reg. 9

**Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:**

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- reg. 2(1) reg. 2 renumbered as reg. 2(1) by S.I. 1996/2643 reg. 3(1)
- reg. 2(1) words inserted by S.I. 1996/2643 reg. 3(2)(b)
- reg. 2(1) words inserted by S.I. 2010/925 reg. 3

- reg. 2(1) words inserted by S.I. 2011/1787 reg. 3(2)
- reg. 2(1) words omitted by S.I. 1996/2643 reg. 3(2)(a)
- reg. 2(1) words substituted by S.I. 2001/403 reg. 2(2)
- reg. 2(1) words substituted by S.I. 2011/1787 reg. 3(3)
- reg. 2(2) inserted by S.I. 1996/2643 reg. 3(3)
- reg. 2A inserted by S.I. 1995/1324 reg. 4
- reg. 2A(1)(b) words substituted by S.I. 1997/988 reg. 3(a)(i)
- reg. 2A(1)(c) words substituted by S.I. 1997/988 reg. 3(a)(ii)
- reg. 2A(3) omitted by S.I. 1997/988 reg. 3(b)
- reg. 2B inserted by S.I. 1996/2643 reg. 4
- reg. 2B(1) words omitted by S.I. 1997/987 reg. 8(2)
- reg. 3(5)(6) added by S.I. 2007/2487 reg. 3(3)
- reg. 4(2)(c) and word inserted by S.I. 2011/1787 reg. 4(b)
- reg. 4(4)(aa) inserted by S.I. 1996/2643 reg. 5
- reg. 5(1A) words inserted by S.I. 2004/2310 Sch. para. 73(3)
- reg. 5(2)(b)(iv) and word inserted by S.I. 2011/1787 reg. 5(b)
- reg. 5A inserted by S.I. 2007/2487 reg. 4
- reg. 5A(1)(b) word substituted by S.I. 2011/1787 reg. 6(2)
- reg. 5A(5) words inserted by S.I. 2011/2503 reg. 4(2)
- reg. 5A(5A) inserted by S.I. 2011/1787 reg. 6(3)
- reg. 5A(6) words inserted by S.I. 2011/2503 reg. 4(3)
- reg. 5B inserted by S.I. 2011/2503 reg. 5
- reg. 5B(6) words inserted by S.I. 2013/504 reg. 31(2)(a)
- reg. 5B(6) words inserted by S.I. 2013/504 reg. 31(2)(c)
- reg. 5B(6) words omitted by S.I. 2019/662 reg. 23(a)
- reg. 5B(6) words omitted by S.I. 2019/662 reg. 23(b)
- reg. 5B(6) words substituted by S.I. 2013/504 reg. 31(2)(b)
- reg. 5B(6) words substituted by S.I. 2017/701 Sch. 5 para. 1
- reg. 6(4A) inserted by S.I. 2003/3143 reg. 5(2)
- reg. 6A inserted by S.I. 1996/2643 reg. 7
- reg. 6A(6) words omitted by S.I. 2010/925 reg. 4
- reg. 7(2)(e) and word inserted by S.I. 1996/2643 reg. 8(a)
- reg. 7(2)(ca) inserted by S.I. 2011/1787 reg. 7(b)
- reg. 7(3A) inserted by S.I. 1996/2643 reg. 8(b)
- reg. 7(3A)-(3E) omitted by S.I. 2009/2811 reg. 2
- reg. 7(3A)-(3E) substituted for reg. 7(3A) by S.I. 2007/2487 reg. 5
- reg. 7(3A) words inserted by S.I. 1997/988 reg. 5
- reg. 7(4A) inserted by S.I. 2003/3143 reg. 5(3)
- reg. 7A inserted by S.I. 1996/2643 reg. 9
- reg. 7A omitted by S.I. 1997/987 reg. 8(3)
- reg. 9(1)-(1B) substituted for reg. 9(1) by S.I. 1996/2643 reg. 10(a)
- reg. 9(1A)(a) words inserted by S.I. 2011/1787 reg. 8(a)
- reg. 9(1A)(b) words inserted by S.I. 2011/1787 reg. 8(b)
- reg. 9(2)(aa) inserted by S.I. 1995/1324 reg. 5(a)
- reg. 9(2)(aa) omitted by S.I. 1996/2643 reg. 10(b)(i)
- reg. 9(2A) words substituted by S.I. 2007/2487 reg. 7
- reg. 9(4A) inserted by S.I. 1995/1324 reg. 5(b)
- reg. 9(4A)-(4C) substituted for reg. 9(4A) by S.I. 1997/988 reg. 6
- reg. 9(4A) words substituted by S.I. 1996/2643 reg. 10(e)(ii)
- reg. 9(4A)(b) words inserted by S.I. 1996/2643 reg. 10(e)(i)
- reg. 9(4B) substituted by S.I. 2010/925 reg. 5(3)
- reg. 9(4B) words substituted by S.I. 2007/2487 reg. 6
- reg. 9A am by S.I. 2003/2582 regs 210
- reg. 9A inserted by S.I. 1997/988 reg. 7
- reg. 9A(1) words inserted by S.I. 2011/1787 reg. 9
- reg. 9A(2C) inserted by S.I. 2010/925 reg. 7
- reg. 9ZA inserted by S.I. 2010/925 reg. 6
- reg. 10(1A) inserted by S.I. 2011/1787 reg. 10

- reg. 12(3) inserted by S.I. 1996/2643 reg. 12(c)
- reg. 12(3) omitted by S.I. 1997/2706 reg. 2(b)
- reg. 14(3A) inserted by S.I. 2003/3143 reg. 5(4)