

Status: This version of this provision is prospective.

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

STATUTORY INSTRUMENTS

1993 No. 2004

The Income Tax (Manufactured Overseas Dividends) Regulations 1993

PROSPECTIVE

Prescribed rates of relevant withholding tax

3.—(1) Subject to paragraph (4), the rate of relevant withholding tax which is prescribed in relation to any manufactured overseas dividend is the rate which is equal to the rate (or, if more than one, the highest rate) at which tax would have been payable (and not repayable) under the law of the overseas territory specified in paragraph (3) in respect of—

- (a) an overseas dividend paid on the same date that the manufactured overseas dividend is paid to a person who is—
 - (i) resident in the United Kingdom and not carrying on a trade outside the United Kingdom through a branch or agency,
 - (ii) subject to tax under the law of the United Kingdom, and
 - (iii) not subject to a special relationship with any other person as respects any commercial or financial dealings,

in respect of the same kind of overseas securities as those in respect of which the manufactured overseas dividend was paid, and

- (b) the overseas tax credit, if any, relating to that overseas dividend.

(2) The reference in paragraph (1) above to tax which would have been payable is a reference to tax which would have been eligible for relief either—

- (a) pursuant to arrangements made with the government of the overseas territory specified in paragraph (3) which have effect by virtue of section 788 of the Taxes Act and relate to the overseas dividend concerned, or
- (b) by virtue of other provisions of Part XVIII of the Taxes Act other than section 790(5)(c)(ii) of that Act.

(3) The overseas territory specified in this paragraph is the territory of the government or public or local authority which issued the securities in question or, where the securities were issued by any other body of persons not resident in the United Kingdom, the territory under whose law that tax would have been payable.

(4) Where a manufactured overseas dividend is paid—

- (a) to or for the benefit of—
 - (i) an individual beneficially entitled to the payment who is resident in a territory outside the United Kingdom, or
 - (ii) a company beneficially entitled to the payment whose central management and control is situated in a territory outside the United Kingdom and which is not resident in the United Kingdom, or

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- (iii) any other body of persons resident in a territory outside the United Kingdom, and
- (b) in respect of securities issued by the government, or a public or local authority, of that territory or any other body of persons resident in that territory, and
- (c) in circumstances where arrangements, if any, made between the United Kingdom and the government of that territory which have effect under section 788 of the Taxes Act do not contain an article providing for exemption from United Kingdom tax in respect of the payment as constituting income not expressly mentioned in other articles of the arrangements,

the rate prescribed in relation to that manufactured overseas dividend is the rate which is equal to the rate at which tax would have fallen to be deducted under the law of that territory in respect of—

- (i) an overseas dividend paid to that recipient in respect of those securities, and
- (ii) the overseas tax credit, if any, relating to that overseas dividend.

Commencement Information

II Reg. 3 in force at 1.10.1993, see [reg. 1](#)

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Changes and effects yet to be applied to :

- 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)

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)