
STATUTORY INSTRUMENTS

1993 No. 744

The Income Tax (Employments) Regulations 1993

PART VII

SOCIAL SECURITY BENEFITS

CHAPTER III

PAYMENTS TO EMPLOYED PERSONS

Interpretation of Chapter III

94. In this Chapter “the Department” means—

- (a) in Great Britain, the Department of Employment or, as the case may be, the Department of Social Security, or
 - (b) in Northern Ireland, the Department of Health and Social Services for Northern Ireland
- by whom a payment of benefit is made.

Benefit paid by the paying Department direct to the claimant

95.—(1) If the Department pays benefit directly to an employed claimant—

- (a) the Department shall determine and record the amount of taxable benefit, and
- (b) the full sum shall be paid without any deduction or repayment of income tax.

Benefit paid by employer

96.—(1) If benefit is paid to an employed claimant by his employer on behalf of the Department and the employer calculates the benefit payable by reference to instructions supplied by the Department, the employer shall also calculate the taxable benefit in accordance with those instructions.

(2) If benefit is paid to an employed claimant by his employer on behalf of the Department and paragraph (1) does not apply, the Department shall notify the employer of the amount of benefit and of taxable benefit.

(3) If the employer has undertaken to pay benefit on behalf of the Department, the Department shall pay the full amount of benefit to the employer without any deduction on account of income tax.

(4) Subject to paragraph (5), Parts III to VI of these Regulations shall apply to the taxable benefit paid by the employer on behalf of the Department as if it were a payment of emoluments from the employment.

(5) In any case in which it appears to the Board that deduction of tax from the taxable benefit referred to in paragraph (4) by reference to the tax tables is impracticable, the Board may make such other arrangements as are appropriate for the collection of tax in respect of taxable benefit in such cases.

Termination of claim

97.—(1) A claim shall be treated as terminated if the employed claimant—

- (a) gives notice of termination, or
- (b) fails to make a further claim, or
- (c) fails to make a declaration in respect of the claim.

(2) Where a claim is treated as terminated the Department shall notify the inspector and the employed claimant of the total benefit and taxable benefit paid in respect of the claim, showing the amounts appropriate to each year.

Adjustments

98. If, after the payment of benefit by an employer or the Department, the Department recovers part or all of that payment from the employed claimant, the Department shall notify the inspector and the employed claimant of the adjustment to the figure of taxable benefit, showing the amounts appropriate to each year.