
STATUTORY INSTRUMENTS

1993 No. 744

The Income Tax (Employments) Regulations 1993

PART IV

DEDUCTION AND REPAYMENT OF TAX

Deduction of tax—general

Commencement of subsequent employment

25.—(1) Immediately on commencing his next employment, the employee shall deliver the two copies of the certificate mentioned in regulation 23(3) to his new employer who, subject to paragraph (8), shall take the action specified in paragraphs (2) to (5).

(2) The action specified in this paragraph is that the employer shall—

(a) insert on one copy of the certificate—

(i) the address of the employee,

(ii) any number used to identify him,

(iii) the date on which the employment commenced, and

(iv) the code in use by the employer in respect of the employee, if other than the code contained in the certificate; and

(b) forthwith send that copy to the inspector by whom code authorisations are ordinarily issued to him.

(3) The action specified in this paragraph is that the employer shall—

(a) prepare a deductions working sheet in accordance with the particulars given on the copies of the certificate; and

(b) record on the working sheet the cumulative emoluments shown on the copies of the certificate.

(4) The action specified in this paragraph is that the employer shall record on the deductions working sheet or keep such records as enable the production of the following particulars, namely—

(a) save where the code contained in the certificate reflects additional pay, the cumulative free emoluments, the cumulative taxable emoluments and the corresponding cumulative tax as at the week or month shown on the copies of the certificate;

(b) where the code contained in the certificate reflects additional pay, the cumulative additional pay, the cumulative taxable emoluments and either the cumulative tax as at the week or month shown on the copies of the certificate or the total net tax deducted shown on the copies of the certificate, whichever is the less.

(5) The action specified in this paragraph is that, subject to paragraphs (6) and (7), the employer shall, on making any payment of emoluments to the employee, deduct or repay tax by reference to the appropriate code in accordance with regulation 14, and keep the records required by paragraphs

(3) and (4) of regulation 38, as if the cumulative emoluments and cumulative tax shown on the deductions working sheet prepared in accordance with paragraph (3) above represented emoluments paid to the employee by the new employer and tax deducted by him.

(6) If tax is repayable on the occasion of the first such payment and the amount repayable exceeds £200, the new employer shall forthwith notify the inspector and shall not make the repayment until authorised to do so by the inspector.

(7) Where the certificate indicates that regulation 17 has been applied, references in paragraphs (3) to (5) to cumulative emoluments, cumulative free emoluments and cumulative tax shall be disregarded, and regulation 17 shall apply to payments of emoluments made by the new employer.

(8) Where the two copies of the certificate show that the last payment of emoluments was in the year preceding that in which the new employment commences, the new employer shall—

- (a) if the date of the commencement of the new employment is within the first seven weeks of the year, comply with paragraphs (1) to (7) with the modification that he shall deduct or repay tax without taking into account the cumulative emoluments and cumulative tax shown on the copies of the certificate; and
- (b) in any other case, comply with paragraph (2), but deduct tax from each payment of emoluments made by him to the employee, and keep records on a deductions working sheet which he shall prepare for that purpose, as if those payments had been payments to which regulation 30(2) applies.

(9) The delivery of the two copies of the certificate in accordance with paragraph (1) shall be treated for the purposes of this regulation as the issue of a code authorisation to the new employer in respect of the employee specifying the code contained in the certificate as the appropriate code.

(10) Where in relation to the year ending on 5th April 1994 the code contained in the certificate is no longer valid, the code which effects deduction of tax with no personal reliefs at one or more of the rates referred to in regulation 8(4) shall be treated for the purposes of paragraph (9) as if it was the code contained in the certificate.

(11) If the employee objects to the disclosure of his cumulative emoluments to his new employer, he may deliver the two copies of the certificate to the inspector before he commences his new employment, and the inspector may issue a code authorisation in respect of the employee to the new employer and direct that regulation 17 shall apply to all payments of emoluments which the new employer makes to the employee.