
STATUTORY INSTRUMENTS

1997 No. 993

The Manufactured Dividends (Tax) Regulations 1997

Accounting for tax by recipients that are United Kingdom resident companies

6.—(1) This regulation applies in any case where a recipient of a manufactured dividend—

- (a) is liable under regulation 4 to account to the Board for any tax in respect of that manufactured dividend, and
- (b) is a company resident in the United Kingdom.

(2) Paragraphs 1 to 3, 8 and 10 of Schedule 13 (collection of advance corporation tax) and, on or after the appointed day referred to in section 137(2) of the Finance Act 1996, paragraph 7A of that Schedule, shall apply in relation to the amount of tax for which the company is liable to account in respect of that manufactured dividend as if—

- (a) paragraph 1 of that Schedule required a return under that paragraph to include in addition manufactured dividends received by the company in each of its accounting periods and the tax for which it is liable to account in respect of those manufactured dividends;
- (b) paragraph 2(1) of that Schedule required a return for any return period to include in addition the amount of any manufactured dividends received by the company in that period, and the amount of tax for which it is liable to account in respect of those manufactured dividends;
- (c) references in paragraph 3 of that Schedule to franked payments and advance corporation tax in respect of such payments included references to manufactured dividends required to be included in a return under that Schedule by virtue of this regulation and tax for which the company is liable to account in respect of those manufactured dividends;
- (d) paragraph 8 of that Schedule included a reference to a manufactured dividend included in a return under that Schedule by virtue of this regulation;
- (e) paragraph 10 of that Schedule included a reference to tax for which the company is liable to account in respect of manufactured dividends received in any accounting period.