
EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 38 of the Finance Act 2000 (c. 17) (“section 38”) provides for a 10 per cent. supplement on donations to charities under the payroll deduction scheme in relation to sums withheld by employers on or before 6th April 2003. Section 146 of the Finance Act 2003 (c. 14.) extends section 38 so as to apply in relation to sums withheld by employers before 6th April 2004. The Charitable Deductions (Approved Schemes) (Amendment No.2) Regulations (S.I.2000/2083), have effect only in relation to sums withheld by employers before 6th April 2003. These Regulations make consequential amendments to the Charitable Deductions (Approved Schemes) Regulations 1986 (S.I. 1986/2211: “the principal Regulations”) in respect of the period between 6th April 2003 and 5th April 2004.

Regulation 1 provides for commencement, citation and effect, and regulation 2 for interpretation.

Regulation 3 amends regulation 2 of the principal regulations by adding a new definition of “supplement”.

Regulation 4 amends regulation 4A in the principal Regulations so as to prescribe a period within which supplements are to be paid to the charity or charities by an approved agency.

Regulation 5 amends regulation 9(3) of the principal Regulations so as to provide that an approved agent who does not pay supplements within the period prescribed must inform the Board of Inland Revenue (“the Board”) by furnishing a statement of the amounts and the reasons why it has not done so.

Regulation 6 amends regulation 11(1) of the principal Regulations so as to require an approved agency to keep records for not less than three years of all supplements paid to charities and all amounts received from the Board under section 38.

Regulation 7 inserts a new regulation 16 in the principal Regulations which allows the amount of any overpayment of supplement by the Board to an approved agency to be assessed and recovered as if it were unpaid tax.