
STATUTORY INSTRUMENTS

2015 No. 1810

**The Scottish Rate of Income Tax
(Consequential Amendments) Order 2015**

Registered pension schemes: relief at source

4. After section 192 insert—

“Relief at source: additional relief

192A.—(1) An individual to whom relief is given in accordance with section 192 in respect of a contribution is entitled to a tax reduction for the tax year in which the payment of the contribution is made if the conditions in subsection (2) or (4) are met.

(2) The conditions are that—

- (a) the relevant rate is the basic rate for the tax year in which the payment of the contribution is made,
- (b) the individual is a Scottish taxpayer for that tax year, and
- (c) the Scottish basic rate for that tax year is higher than the basic rate.

(3) If the conditions in subsection (2) are met, the amount of the tax reduction is an amount equal to the difference between the amount of relief which would have been given if the relevant rate were the Scottish basic rate for the tax year in which the payment is made and the amount of relief given under section 192.

(4) The conditions are that—

- (a) the relevant rate is the Scottish basic rate for the tax year in which the payment of the contribution is made,
- (b) the individual is not a Scottish taxpayer for that tax year, and
- (c) the basic rate for that tax year is higher than the Scottish basic rate.

(5) If the conditions in subsection (4) are met, the amount of the tax reduction is an amount equal to the difference between the amount of relief which would have been given if the relevant rate were the basic rate for the tax year in which the payment is made and the amount of relief given under section 192.

(6) A tax reduction under this section is given effect at Step 6 of the calculation in section 23 of ITA 2007⁽¹⁾.

Relief at source: excessive relief given

192B.—(1) If relief is given to an individual in accordance with section 192 in respect of a contribution and the conditions in subsection (2) or (4) apply, an amount of excessive relief given is treated as an amount of tax for which the individual is liable for the tax year in which the payment of the contribution is made.

(1) Section 280(1) of the Finance Act 2004 provides that in Part 4 of that Act “ITA 2007” means the Income Tax Act 2007.

(2) The conditions are that—

- (a) the relevant rate is the basic rate for the tax year in which the payment of the contribution is made,
- (b) the individual is a Scottish taxpayer for that tax year, and
- (c) the Scottish basic rate for that tax year is lower than that rate.

(3) If the conditions in subsection (2) apply, the amount of excessive relief given is an amount equal to the difference between the amount of relief given and the amount of relief which would have been given if the relevant rate were the Scottish basic rate for the tax year in which the payment is made.

(4) The conditions are that—

- (a) the relevant rate is the Scottish basic rate for the tax year in which the payment of the contribution is made,
- (b) the individual is not a Scottish taxpayer in that tax year, and
- (c) the basic rate for that tax year is lower than the Scottish basic rate.

(5) If the conditions in subsection (4) apply, the amount of excessive relief given is an amount equal to the difference between the amount of relief given and the amount of relief which would have been given if the relevant rate were the basic rate for the tax year in which the payment is made.

(6) An amount of excessive relief treated as an amount of tax under this section is added at Step 7 of the calculation in section 23 of ITA 2007.”.