
STATUTORY INSTRUMENTS

2015 No. 411

INCOME TAX

The Taxes (Interest Rate) (Amendment) Regulations 2015

Made - - - - 27th February 2015
Laid before the House of
Commons - - - - 2nd March 2015
Coming into force - - 6th April 2015

The Treasury make the following Regulations in exercise of the powers conferred by section 178(1) and (2)(s) of the Finance Act 1989(1).

Citation and commencement

1. These Regulations may be cited as the Taxes (Interest Rate) (Amendment) Regulations 2015 and come into force on 6th April 2015.

Amendment of the Taxes (Interest Rate) Regulations 1989

2. In regulation 5 of the Taxes (Interest Rate) Regulations 1989(2) in paragraph (1) for “on and after 6th April 2014, be 3.25 per cent per annum” substitute “on and after 6th April 2015, be 3.00 per cent per annum”.

27th February 2015

Mark Lancaster
David Evennett
Two of the Lords Commissioners of Her
Majesty’s Treasury

(1) 1989 c. 26; paragraph (s) of section 178(2) was inserted by paragraph 162(d) of Schedule 6 to the Income Tax (Earnings and Pensions) Act 2003 (c. 1).
(2) S.I. 1989/1297 amended by S.I. 1994/1307, 1994/1567, 2009/199 and 2014/496.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend regulation 5 of the Taxes (Interest Rate) Regulations 1989 ([S.I. 1989/1297](#)) (“the 1989 Regulations”).

Chapter 7 of Part 3 of the Income Tax (Earnings and Pensions) Act 2003 ([c. 1](#)) (“ITEPA”) provides that tax is chargeable on an employment-related loan to the extent that the interest rate it carries is lower than the official rate. Section 181 of ITEPA in effect defines that official rate as the rate prescribed in regulation 5 of the 1989 Regulations.

Regulation 2 of these Regulations reduces the generally applicable official rate of interest from 3.25 per cent per annum to 3 per cent per annum with effect from 6th April 2015. It does not affect the rates which apply in relation to Japan and Switzerland, which are prescribed in regulation 5(2) of the 1989 Regulations.

A Tax Information and Impact Note has not been prepared for this instrument as it contains no substantive changes to tax policy.