

SCHEDULES

SCHEDULE 3

MACHINERY FOR ASSESSMENT, CHARGE AND PAYMENT OF INCOME TAX UNDER SCHEDULE C AND, IN CERTAIN CASES, SCHEDULE D

PART III

OTHER PUBLIC REVENUE DIVIDENDS, FOREIGN DIVIDENDS AND PROCEEDS OF COUPONS

- 6 (1) The following persons are chargeable persons for the purposes of this Part of this Schedule—
- (a) every person (other than the National Debt Commissioners or the Bank of England or the Bank of Ireland) who is entrusted with the payment of any dividends which are payable out of the public revenue of Northern Ireland, or which are payable to any persons in the United Kingdom out of any public revenue other than that of the United Kingdom or Northern Ireland;
 - (b) every person in the United Kingdom who is entrusted with the payment of any foreign dividends;
 - (c) every banker or other person in the United Kingdom who obtains payment of any dividends in such circumstances that the dividends are chargeable to tax under Schedule C, or in the case of foreign dividends, under Schedule D; and
 - (d) every banker in the United Kingdom who sells or otherwise realises coupons, and every dealer in coupons in the United Kingdom who purchases coupons, in such manner that the proceeds of the sale or realisation are chargeable to tax under Schedule C, or in the case of foreign dividends, under Schedule D.
- (2) Every chargeable person shall deliver to the Board—
- (a) on demand by the Board, true and perfect accounts of the amount of all such dividends or proceeds; and
 - (b) not later than 12 months after paying any dividends or effecting any other transaction in respect of which he is a chargeable person, and unless within that time he delivers an account with respect to the dividends or proceeds in question under sub-paragraph (a) above, a written statement specifying his name and address and describing those dividends or proceeds.
- 7 The Board shall have all necessary powers in relation to the examining, auditing, checking and clearing of the books and accounts of dividends or proceeds delivered under paragraph 6 above, and shall assess and charge the dividends or proceeds at the basic rate of tax in force at the time of payment, but reduced by the amount of the exemptions (if any) allowed by them, and shall give notice of the amount so assessed and charged to the chargeable person.
- 8 The chargeable person shall out of moneys in his hands pay the income tax on the dividends or proceeds on behalf of the persons entitled thereto, and shall be acquitted in respect of all such payments, and the provisions of the Income Tax

Acts shall apply as in the case of dividends payable out of the public revenue of the United Kingdom and entrusted to the Bank of England for payment and distribution.

9 The chargeable person shall pay the income tax into the general account of the Board at the Bank of England or the Bank of Ireland within 30 days of the date of the issue of the notice of assessment, and in default of payment it shall be recovered from him in the same manner as other tax assessed and charged on him may be recovered.

10 (1) Subject to sub-paragraph (2) below, a chargeable person who does all such things as are necessary to enable the tax to be assessed and paid shall receive as remuneration an allowance, to be calculated by reference to the amount of the dividends or proceeds paid from which tax has been deducted, and to be fixed by the Treasury at a rate not being less than 68p for every £1,000 of that amount.

(2) Sub-paragraph (1) above shall not apply to any person entrusted with the payment of dividends payable out of the public revenue of Northern Ireland.

11 Nothing in paragraphs 6 to 10 above shall impose on any banker the obligation to disclose any particulars relating to the affairs of any person on whose behalf he may be acting.

12 Where income tax in respect of the proceeds of the sale or realisation of any coupon has been accounted for under this Part of this Schedule by any banker or dealer, and the coupon has been subsequently paid in such manner that income tax has been deducted from the payment under any of the provisions of this Schedule, the tax so deducted shall be repaid.

A claim under this paragraph shall be made to the Board.

13 (1) Without prejudice to the generality of paragraph 7 above, the Board may, by notice served on any chargeable person, require that person within such time as may be specified in the notice to make available at his premises for inspection by an officer authorised by the Board all such books and other documents in the possession or control of that person as the officer may reasonably require for the purpose of determining whether any accounts delivered by that person under paragraph 6 above are correct and complete.

(2) The Board may grant a certificate exempting any chargeable person from the provisions of sub-paragraph (1) above, and while the certificate is in force the powers conferred by that sub-paragraph shall not be exercisable in relation to that person; and any such certificate may be revoked at any time by the Board, and may contain such terms and conditions as they think proper.

14 In this Part of this Schedule—

“dividends” includes foreign dividends, and

“foreign dividends” has the meaning given by section 123.