



Finance Act 2001

2001 CHAPTER 9

PART 3

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 2

OTHER PROVISIONS

Miscellaneous

83 Life policies, life annuity contracts and capital redemption policies

(1) Schedule 28 to this Act (which makes amendments relating to Chapter 2 of Part 13 of the Taxes Act 1988) has effect.

^{F1}(2)

(3) The amendments made by Part 2 of that Schedule (which relate to the provision by insurers etc of information relating to chargeable events happening in connection with a policy or contract) have effect in relation to chargeable events happening on or after 6th April 2002.

Textual Amendments

F1 S. 83(2) omitted (with effect in accordance with Sch. 14 para. 18 of the amending Act) by virtue of Finance Act 2008 (c. 9), Sch. 14 para. 17(j)

^{F2}84 Exclusion of deductions for deemed manufactured payments

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Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, Cross Heading: Miscellaneous. (See end of Document for details)

Textual Amendments

- F2** S. 84 repealed (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

85 Deduction of tax: payments between companies etc

^{F3}(1)

(2) In section 98 of the Taxes Management Act 1970 (c. 9) (penalties for failing to make, or making incorrectly, certain returns etc.), after subsection (4) insert—

“(4A) If—

- (a) a failure to comply with section 350(1) of, or Schedule 16 to, the principal Act arises from a person’s failure to deliver an account, or show the amount, of a payment, and
 - (b) the payment is within subsection (4B) below,
- subsection (1) above shall have effect as if for “£300” there were substituted “£3,000” and as if for “£60” there were substituted “£600”.

(4B) A payment is within this subsection if—

- (a) the payment is made by a company without an amount representing the income tax on the payment being deducted from the payment,
- (b) at the time the payment is made, the company—
 - (i) does not believe that either of the conditions specified in section 349B of the principal Act is satisfied, or
 - (ii) where it believes that either of those conditions is satisfied, could not reasonably so believe,
- (c) the payment is one from which tax is deductible under section 349 of the principal Act unless the company reasonably believes that one of those conditions is satisfied, and
- (d) neither of those conditions is satisfied at the time the payment is made.

(4C) In subsection (4B) above “company” includes a partnership of which any member is a company.”

^{F4}(3)

(4) Subsections (1) to (3) apply to payments made on or after 1st April 2001.

(5) Sections 247 and 248 of the Taxes Act 1988 (companies within a group may elect for section 349 not to apply to payments between them) shall cease to have effect.

(6) Subsection (5) applies in relation to payments made after the day on which this Act is passed.

Textual Amendments

- F3** S. 85(1) repealed (with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

- F4** S. 85(3) repealed (with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, Cross Heading: Miscellaneous. (See end of Document for details)

F⁵86 Profits for purposes of small companies' relief

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Textual Amendments

F5 S. 86 repealed (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

87 Tax deductions and credits: end of provisional repayment regime

(1) The provisions of section 438A of, and Schedule 19AB to, the Taxes Act 1988 (provisional repayments in respect of tax borne by deduction and tax credits) shall cease to have effect as follows.

(2) Those provisions shall not apply in relation to income tax borne by deduction from payments received after 30th September 2001.

F⁶(3)

F⁶(4)

(5) The provisions of section 438A of, and Schedule 19AB to, the Taxes Act 1988 shall not apply in relation to tax credits in respect of distributions made on or after 6th April 2004.

Textual Amendments

F6 S. 87(3)(4) repealed (19.7.2007) by [Finance Act 2007 \(c. 11\)](#), Sch. 10 para. 16(9), [Sch. 27 Pt. 2\(10\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2001, Cross Heading: Miscellaneous.