
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2010, Cross Heading: Loans. (See end of Document for details)

SCHEDULES

SCHEDULE 1

BANK PAYROLL TAX

PART 1

THE TAX

Loans

- 13 (1) This paragraph applies where—
- (a) at any time during the chargeable period a relevant loan is provided to or in respect of a relevant banking employee of a taxable company by reason of the employee's employment as a relevant banking employee otherwise than pursuant to a contractual obligation arising before the chargeable period, or
 - (b) at any time during the chargeable period there arises a contractual obligation to provide a relevant loan to or in respect of the employee by reason of the employee's employment as a relevant banking employee of the taxable company.
- (2) A loan is a “relevant” loan if the main purpose, or one of the main purposes, of providing it, or undertaking to provide it, is the reduction or elimination of a liability to bank payroll tax or any other tax or national insurance contributions.
- (3) The loan is to be regarded as relevant remuneration awarded during the chargeable period to or in respect of the relevant banking employee by reason of the employee's employment as a relevant banking employee; and the amount of the relevant remuneration is to be regarded as the amount which is loaned or (where the amount of the loan is not fixed) the amount which it is reasonable to assume will be loaned.
- (4) A contractual obligation to provide a relevant loan is taken to arise for the purposes of this paragraph even if provision of it is dependent on compliance by the relevant banking employee with any conditions.

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There are currently no known outstanding effects for the Finance Act 2010, Cross Heading:
Loans.