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STATUTORY INSTRUMENTS

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**2003 No. 2682**

**The Income Tax (Pay As You Earn) Regulations 2003**

**PART 8**

**SOCIAL SECURITY BENEFITS**

**CHAPTER 1**

**JOBSEEKER'S ALLOWANCE: NORMAL CASES**

**Interpretation of Chapters 1 and 2**

**148.** In Chapters 1 and 2—

“award” means an award of a jobseeker’s allowance;

“claim” means a claim for a jobseeker’s allowance;

“claimant” means a person who has made a claim, or who is treated for the purposes of the JSA Regulations as having made a claim;

“Chapter 2 claimant” means—

- (a) a claimant who is entitled to a jobseeker’s allowance by virtue of regulation 17 of the JSA Regulations (laid off and short time workers); or
- (b) [<sup>F1</sup>a claimant who is a share fisherman—
  - (i) where the JSA Regulations apply, as defined in regulation 156 of those Regulations; and
  - (ii) where the Jobseeker’s Allowance Regulations 2013 [<sup>F2</sup>or Jobseeker’s Allowance Regulations (Northern Ireland) 2016] apply, as defined in regulation 67 of those Regulations;]

“Department” means the Department for Work and Pensions or, in Northern Ireland, the Department for Social Development;

“JSA Regulations” means the Jobseeker’s Allowance Regulations 1996<sup>(1)</sup> or, in Northern Ireland, the Jobseeker’s Allowance Regulations (Northern Ireland) 1996<sup>(2)</sup>;

“jobseeker’s allowance” means benefit payable under—

- (a) the Jobseekers Act 1995<sup>(3)</sup>, or
- (b) in Northern Ireland, the Jobseekers (Northern Ireland) Order 1995<sup>(4)</sup>;

“taxable jobseeker’s allowance” means any amount of jobseeker’s allowance which is chargeable to income tax under Chapter 2 of Part 10 of ITEPA (tax on social security income).

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(1) S.I.1996/207.  
(2) S.R. (N.I.) 1996 No. 198.  
(3) 1995 c. 18.  
(4) S.I. 1995/2705 (N.I. 15).

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### Textual Amendments

- F1** Words in reg. 148 substituted (29.4.2013) by [The Universal Credit \(Consequential, Supplementary, Incidental and Miscellaneous Provisions\) Regulations 2013 \(S.I. 2013/630\)](#), regs. 1(2), **83**
- F2** Words in [reg. 148](#) inserted (N.I.) (27.9.2017) by [The Universal Credit \(Consequential, Supplementary, Incidental and Miscellaneous Provisions\) Regulations \(Northern Ireland\) 2016 \(S.R. 2016/236\)](#), regs. 1(1), **59**

### Scope of Chapter 1

**149.** This Chapter applies to claimants who are not Chapter 2 claimants.

### Application of other regulations

**150.**—(1) The following regulations apply to payments of taxable jobseeker’s allowance made to a claimant with the modifications mentioned in paragraphs (2) and (3)—

regulation 2	interpretation
regulation 14	matters relevant to determination of code
regulation 15	flat rate codes
regulation 16	continued application of employee’s code
regulation 17	notice to employee of code
regulation 18	objections and appeals against employee’s code
regulation 19	amendment of code
regulation 20	notice to employer of amended code
regulation 21	deduction and repayment of tax by reference to employee’s code
regulation 97	[ <sup>F3</sup> retention by employer of PAYE records]
regulation 98	multiple PAYE schemes
regulation 102	succession to a business etc
[ <sup>F4</sup> regulation 185	Adjusting total net tax deducted for purposes of sections 59A(1), 59B(1) and 59BA(2) TMA]
regulation 188	assessments other than self-assessments
regulation 211	how information must or may be delivered by employers
regulation 214	how information must be provided by employees
regulation 216	service by post.

(2) In the application of those regulations, the expressions listed in column 1 of Table 5 have the meanings shown in column 2 of the table.

**Table 5**

## Meaning of expressions in application of other regulations

<i>1. Expression</i>	<i>2. Meaning for purposes of this Chapter</i>
employee	claimant
employer	Department
employment	award
relevant payments	taxable jobseeker's allowance.

(3) In the application of regulations 20 and 21, any reference to the deduction or repayment of tax must be read as a reference to the tax calculation which the Department is required to make at the end of the tax year or on the cessation of an award (by virtue of regulations 157(2)(a) and 158(2) respectively).

**Textual Amendments**

- F3** Words in [reg. 150\(1\)](#) substituted (1.4.2009) by [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2009 \(S.I. 2009/588\)](#), regs. 1(1), 7
- F4** Words in [reg. 150\(1\)](#) substituted (6.4.2017) by [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2017 \(S.I. 2017/414\)](#), regs. 1, 4

**Obtaining the claimant's Form P45**

**151.**—(1) A claimant who has Parts 2 and 3 of Form P45 must deliver them to the Department on making a claim for a jobseeker's allowance which includes taxable jobseeker's allowance.

(2) If, on making a claim, the claimant declares that the claimant's last employer did not provide Parts 2 and 3 of Form P45, the Department may require the employer to deliver them to a specified office of the Department.

**Deductions working sheet for claimants awarded taxable jobseeker's allowance**

**152.**—(1) The Department must prepare a deductions working sheet in respect of each claimant whose award includes taxable jobseeker's allowance.

(2) If the Department obtains Parts 2 and 3 of Form P45 relating to the claimant, it must immediately prepare the deductions working sheet using the information shown in Parts 2 and 3 of Form P45 in accordance with regulation 153.

(3) If the Department does not obtain Parts 2 and 3 of Form P45 relating to the claimant, it must prepare the deductions working sheet in accordance with regulation 154.

**Form P45: deductions working sheet and return**

**153.**—(1) If Parts 2 and 3 of Form P45 relate to the current tax year, the Department must record in the deductions working sheet the total payments to date shown in Parts 2 and 3 of Form P45.

(2) If Parts 2 and 3 of Form P45 relate to the current tax year and show that the cumulative basis has been used, the Department must also—

- (a) record the following information from Parts 2 and 3 of Form P45 in the deductions working sheet, or

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- (b) keep such records as enable production of the information.
- (3) If the code shown in Parts 2 and 3 of Form P45 is a K code, the information is—
  - (a) the total additional pay to date,
  - (b) the total taxable payments to date, and
  - (c) the lower of the total tax to date as at the week or month shown in Parts 2 and 3 of Form P45 or the total net tax deducted shown in them.
- (4) In any other case the information is—
  - (a) the total free pay to date,
  - (b) the total taxable payments to date, and
  - (c) the corresponding total tax to date as at the week or month shown in Parts 2 and 3 of Form P45.
- (5) Paragraph (6) applies if—
  - (a) the claim is made by 24th May in a tax year, and
  - (b) Parts 2 and 3 of Form P45 show that the last relevant payment was made in the preceding tax year.
- (6) The Department must complete the deductions working sheet but without recording the total payments to date or total net tax deducted (if any) shown in Parts 2 and 3 of Form P45.
- (7) In cases falling within paragraphs (1) and (5), the code shown in Parts 2 and 3 of Form P45 must be treated as the claimant's code for the purposes of these Regulations.
- (8) If, in a case not falling within paragraph (5), Parts 2 and 3 of Form P45 show that the last relevant payment was made in a tax year preceding that in which the claim was made, the Department—
  - (a) must complete the deductions working sheet but without recording the total payments to date or total net tax deducted (if any) shown in Parts 2 and 3 of Form P45, and
  - (b) must record the emergency code as the claimant's code.
- (9) The Department must supply the information recorded under this regulation to the Inland Revenue together with such further information as may be required for the purposes of these Regulations.

#### **No Form P45: deductions working sheet and return**

- 154.**—(1) In a case falling within regulation 152(3) (no Form P45), the Department must—
- (a) prepare the deductions working sheet within 14 days of the award of a taxable jobseeker's allowance, and
  - (b) record the emergency code as the claimant's code.
- (2) The Department must also deliver a return to the Inland Revenue, giving—
- (a) the claimant's name,
  - (b) the claimant's national insurance number,
  - (c) the claimant's date of birth, if known,
  - (d) the date on which the claim was made, and
  - (e) the reference number of the benefit office submitting the return.
- (3) But the return need not be delivered if the claimant certifies that the claimant—
- (a) is undergoing a course of full-time education and has not had regular employment since the previous 6th April, or

- (b) has not had regular employment since finishing full-time education.

### **Claimant's code etc to be used for calculations**

**155.**—(1) This regulation applies if, in respect of a claimant, the Department receives notification from the Inland Revenue of—

- (a) a code or amended code,
- (b) total payments to date, or
- (c) total net tax deducted.

(2) The Department must record that notification in substitution for any previous record and use it for the purpose of all calculations required under this Chapter.

### **Recording the amount of taxable jobseeker's allowance**

**156.** Whenever a payment of jobseeker's allowance is made, the Department must record the taxable jobseeker's allowance included in the payment.

### **Obligations at end of tax year**

**157.**—(1) This regulation applies in respect of each award which includes taxable jobseeker's allowance and which continues beyond the end of a tax year.

(2) Before 1st June following the end of the tax year, the Department must—

- (a) make a tax calculation in accordance with regulation 161 if the claimant's code is used on the cumulative basis;
- (b) subject to paragraph (3), issue a certificate to the claimant; and
- (c) deliver a return to the Inland Revenue.

(3) The Department need not issue the certificate if—

- (a) no taxable jobseeker's allowance has been paid, and
- (b) a tax calculation in accordance with regulation 161 is not required.

(4) The certificate must show—

- (a) the tax year to which it relates,
- (b) the total jobseeker's allowance for the tax year excluding any amounts previously notified under regulation 159(2) or 160(2),
- (c) the taxable jobseeker's allowance included in the total jobseeker's allowance,
- (d) the claimant's code,
- (e) the claimant's national insurance number,
- (f) the claimant's name,
- (g) the claimant's address, if known,
- (h) any previous relevant payments and any tax deducted from those relevant payments which the Department was required to take into account under regulation 161,
- (i) any total payments to date recorded by the Department in accordance with regulation 153(1) plus the total taxable jobseeker's allowance for the tax year, and the corresponding total net tax deducted, and
- (j) the amount of tax refunded by the Department.

(5) The return must show—

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- (a) the particulars specified in paragraph (4), and
- (b) if a calculation is required under regulation 161, any amount of tax outstanding.

#### When an award ceases

**158.**—(1) For the purposes of these Regulations an award ceases when entitlement to a jobseeker’s allowance ceases.

(2) When an award of a taxable jobseeker’s allowance ceases the Department must make a tax calculation in accordance with regulation 161 if the claimant’s code is used on the cumulative basis.

(3) The relevant date for the purposes of that calculation is the date on which the award ceases.

(4) The date on which the award ceases is the last day for which benefit was paid and was not recoverable, except that if the last day is 4th or 5th April the date is the preceding 3rd April.

(5) But the Department need not amend a tax calculation solely because the date used for the purposes of the calculation is subsequently shown to be incorrect.

#### Cessation of award: Form P45U

**159.**—(1) When an award of a taxable jobseeker’s allowance ceases the Department must immediately complete Form P45U.

(2) The Department must then—

- (a) send Part 1 of Form P45U to the Inland Revenue, and
- (b) provide Part 1A of Form P45U and Parts 2 and 3 of Form P45 to the claimant.

(3) The information listed in column 1 of Table 6 must, subject to the conditions set out in column 2, be provided in Parts 1 and 1A of Form P45U and Parts 2 and 3 of Form P45 as indicated in columns 3 to 5.

**Table 6**

Information which must be provided in Form P45U

<i>1. Information to be provided</i>	<i>2. Conditions</i>	<i>3. FormP45U  Part 1</i>	<i>4.  Part 1A</i>	<i>5. Form P45  Parts 2 &amp; 3</i>
<b>1.</b> the tax reference as shown in the deductions working sheet	tax as shown in the deductions working sheet	yes	yes	yes
<b>2.</b> the claimant’s national insurance number		yes	yes	yes
<b>3.</b> the claimant’s name		yes	yes	yes
<b>4.</b> the date on which the award ceased		yes	yes	yes

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1. Information to be provided	2. Conditions	3. Form P45U  Part 1	4.  Part 1A	5. Form P45  Parts 2 & 3
5. the claimant's code or, if more than one, the latest code for the tax year during which the award ceased		yes	yes	yes
6. whether the claimant's code is used on the cumulative basis		yes	yes	yes
7. the tax week or month in which the award ceased	if the claimant's code is used on the cumulative basis	yes	yes	yes
8. the total payments to date (including taxable jobseeker's allowance) at the date the award ceased, and the corresponding total net tax deducted	if the claimant's code is used on the cumulative basis	yes	yes	yes
9. the taxable jobseeker's allowance paid during the tax year by virtue of the award in question	if the claimant's code is used on the cumulative basis, and if different from the information supplied under item 8	yes	yes	no
10. the taxable jobseeker's allowance paid during the tax year by virtue of the award in question	if the claimant's code is not used on the cumulative basis	yes	yes	no
11. any amount of tax outstanding	if the claimant's code is used on the cumulative basis	yes	no	no
12. whether the claimant was		yes	no	no

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<i>1. Information to be provided</i>	<i>2. Conditions</i>	<i>3. Form P45U Part 1</i>	<i>4. Part 1A</i>	<i>5. Form P45 Parts 2 &amp; 3</i>
self-employed immediately before the claim was made				
<b>13.</b> whether the claimant is receiving a pension by reason of a former employment		yes	no	no
<b>14.</b> the claimant's address if known		yes	no	no
<b>15.</b> the address of the benefit officer		yes	yes	no
<b>16.</b> the date the form is completed		yes	yes	no

(4) The Department must also give notice to the claimant of—

- (a) the total jobseeker's allowance for the tax year excluding any sums previously notified under this regulation or regulation 160, 171 or 172, and
- (b) the taxable jobseeker's allowance included in that total.

(5) Expressions used in Parts 2 and 3 of Form P45 have the following meanings—

- (a) "employee" means "claimant",
- (b) "leaving date" means "date the award ceased", and
- (c) "pay" means "jobseeker's allowance".

(6) Regulation 163 (death of claimant) modifies the requirements of this regulation if an award of taxable jobseeker's allowance has ceased on the death of the claimant.

### Notification of taxable jobseeker's allowance adjustment

**160.**—(1) Paragraph (2) applies if—

- (a) after a certificate under regulation 157(2)(b) has been issued (or would have been issued but for regulation 157(3)), or
- (b) after a notice has been issued under regulation 159(4) or this regulation,

further taxable jobseeker's allowance is paid to, or taxable jobseeker's allowance overpaid is recovered from, the claimant.

(2) The Department must—

- (a) give notice to the claimant of the revised figure of total jobseeker's allowance and the taxable jobseeker's allowance included in that revised figure in accordance with the relevant regulation, and
- (b) notify the Inland Revenue of the sums paid or refunded.



## Tax calculation

**161.**—(1) This regulation applies, subject to regulation 162, if the Department is required by regulation 157 or 158 to make a tax calculation.

(2) The Department must calculate in respect of the claimant as at the relevant date—

- (a) the total payments to date, and
- (b) the claimant’s total tax.

(3) If the recorded tax exceeds the claimant’s total tax, the Department must repay the excess to the claimant.

(4) But if the recorded tax is less than the claimant’s total tax—

- (a) the difference is tax outstanding for the purposes of regulation 157(5)(b) or item 11 of Table 6 in regulation 159(3), and
- (b) the Department must treat the claimant’s code as issued by the Inland Revenue on the non-cumulative basis from the relevant date.

(5) In this regulation—

[<sup>F5</sup>“claimant’s total tax” means the lesser of—

- (a) 50% of the claimant’s total payments to date, and
- (b) the tax due in accordance with the appropriate tax tables in respect of the claimant’s total taxable payments to date at the relevant date;]

“recorded tax” means the total tax to date or (as the case may be) the total net tax deducted which was recorded in accordance with regulation 153(3) or (4) when the claim was made;

“relevant date” means—

- (a) the end of the tax year, if the calculation is required by regulation 157;
- (b) the date used for the purposes of the calculation, if the calculation is required by regulation 158;

“total payments to date” means any payments to date recorded by the Department in accordance with regulation 153(1), plus the total taxable jobseeker’s allowance.

### Textual Amendments

- F5** Words in [reg. 161\(5\)](#) substituted (6.4.2015) by [The Income Tax \(Pay As You Earn\) \(Amendment No. 4\) Regulations 2014 \(S.I. 2014/2689\)](#), [regs. 1\(2\), 7](#)

## No tax calculation required in certain cases

**162.**—(1) A tax calculation under regulation 161 is not required in any of the following cases—

- (a) if the claimant does not give the Department Parts 2 and 3 of Form P45, and does not certify in accordance with regulation 154(3) (students etc);
- (b) if the claimant gives the Department Parts 2 and 3 of Form P45, but they do not relate to the claimant’s last employment or award before the present award, whichever is later;
- (c) if the claimant is in receipt of a pension in respect of a former employment;
- (d) if it appears to the Department on the occasion of a claim that a previous award should have been treated as having ceased in accordance with regulation 158 (when an award ceases); or
- (e) if the claimant’s code is a nil tax code, basic rate code or higher rate code.

(2) Those cases are treated as if the Inland Revenue had made a direction that the claimant's code must be used on the non-cumulative basis.

(3) Those cases are subject to a notification from the Inland Revenue under regulation 155 that revised particulars are to be substituted and used.

### **Death of claimant**

**163.**—(1) On being informed of the death of a claimant whose award included taxable jobseeker's allowance, the Department must send the Inland Revenue the completed Form P45U indicating in Part 1 that the claimant has died.

(2) If the Department knows the name and address of the claimant's personal representative, the Department must send the notice referred to in regulation 159(4) to the personal representative.

(3) But if the Department has not been notified of the name and address of the claimant's personal representative within 30 days of the claimant's death, the Department is not required—

- (a) to make a tax calculation under regulation 161, nor
- (b) to issue the notice under regulation 159(4).

### **Finance**

**164.**—(1) The Board of Inland Revenue must advance monies to the National Insurance Funds of Great Britain and Northern Ireland at intervals to be agreed with the Department for use in making repayments of income tax under these Regulations.

(2) The Department must provide the Board with a quarterly statement of receipts and payments.

## **CHAPTER 2**

### **JOBSEEKER'S ALLOWANCE: SPECIAL CASES**

#### **Scope of Chapter 2**

**165.**—(1) This Chapter applies only to Chapter 2 claimants (as defined by regulation 148).

(2) Except for regulation 148 (interpretation), Chapter 1 does not apply to Chapter 2 claimants.

#### **Jobseeker's allowance paid directly to claimant**

**166.**—(1) This regulation applies if the Department makes a payment of taxable jobseeker's allowance directly to a Chapter 2 claimant.

(2) The Department must—

- (a) record the amount, and
- (b) pay the full sum without any deduction or repayment of income tax.

#### **Jobseeker's allowance paid by employer**

**167.**—(1) If—

- (a) a jobseeker's allowance is paid to a Chapter 2 claimant by the claimant's employer on behalf of the Department, and
- (b) the employer calculates the jobseeker's allowance payable by reference to instructions supplied by the Department,

the employer must also calculate the taxable jobseeker's allowance in accordance with those instructions.

(2) If—

- (a) a jobseeker's allowance is paid to a Chapter 2 claimant by the claimant's employer on behalf of the Department, and
- (b) paragraph (1)(b) does not apply,

the Department must notify the employer of the amount of jobseeker's allowance and of taxable jobseeker's allowance.

(3) If the employer has undertaken to pay a jobseeker's allowance on behalf of the Department, the Department must pay the full amount to the employer without any deduction on account of income tax.

### **Regulation 167 cases: application of other regulations**

**168.**—(1) Parts 2 to 4 (codes; deduction and repayment of tax; payments, returns and information) apply to the taxable jobseeker's allowance paid to a Chapter 2 claimant by the employer on behalf of the Department under regulation 167, as if it were a relevant payment from the employment.

(2) But this is subject to paragraph (3), which applies in any case in which it appears to the Inland Revenue that deduction of tax from the taxable jobseeker's allowance paid by the employer on behalf of the Department by reference to the tax tables is impracticable.

(3) The Inland Revenue may make such other arrangements as are appropriate for the collection of tax in respect of taxable jobseeker's allowance.

(4) Regulations 170 to 172 (information to be supplied etc) do not apply if—

- (a) the Chapter 2 claimant's employer has been paying the jobseeker's allowance in accordance with regulation 167, and
- (b) the employer provides the information in question.

### **When a Chapter 2 award ceases**

**169.** For the purposes of this Chapter, an award ceases when entitlement to a jobseeker's allowance which depends on regulation 17 or 156 of the JSA Regulations ceases.

### **Information to be supplied at end of tax year**

**170.**—(1) This regulation applies in respect of an award of taxable jobseeker's allowance which continues beyond the end of a tax year.

(2) Before 1st June following the end of the tax year, the Department must give notice to the Inland Revenue and the Chapter 2 claimant of—

- (a) the total jobseeker's allowance, and
- (b) the taxable jobseeker's allowance,

paid in respect of the award during that tax year.

### **Information to be supplied when an award of taxable jobseeker's allowance ceases**

**171.**—(1) When an award of taxable jobseeker's allowance ceases, the Department must give notice to the Inland Revenue and, except where the Chapter 2 claimant has died, the claimant, of—

- (a) the total jobseeker's allowance, and
- (b) the taxable jobseeker's allowance,

paid in respect of the award, showing the amounts appropriate to the award for the tax year in which it ceased.

(2) If the Department has been notified of the name and address of a deceased claimant's personal representative within 30 days of the claimant's death, the Department must send the notice to the personal representative.

### Adjustments of taxable jobseeker's allowance

**172.**—(1) Paragraph (2) applies if, after the issue of a notice under regulation 170 or 171(1)—

- (a) further taxable jobseeker's allowance is paid to the Chapter 2 claimant, or
- (b) taxable jobseeker's allowance overpaid is recovered from the Chapter 2 claimant.

(2) The Department must—

- (a) notify the Chapter 2 claimant of the revised figure of total jobseeker's allowance and the taxable jobseeker's allowance included in that revised figure, and

(b) notify the Inland Revenue of any adjustment to the figure of taxable jobseeker's allowance, showing the amounts appropriate to each tax year.

## CHAPTER 3

### INCAPACITY BENEFIT

#### Interpretation of Chapter 3

**173.** In this Chapter—

“award” means an award of incapacity benefit;

“claim” means a claim for incapacity benefit;

“claimant” means a person who has made a claim;

“Department” means the Department for Work and Pensions or, in Northern Ireland, the Department for Social Development;

“incapacity benefit” means short-term incapacity benefit or long-term incapacity benefit payable under—

- (a) sections 30A(1), 30A(5), 40 or 41 of the Social Security Contributions and Benefits Act 1992(5), or
- (b) in Northern Ireland, section 30A(1), 30A(5), 40 or 41 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(6);

“single-income claimant” means a claimant who, for a tax year—

- (a) is not entitled to receive any relevant payments in addition to the payments of taxable incapacity benefit, or
- (b) is so entitled but has failed to provide any details relating to those payments when making the claim,

and who is not a self-employed earner as defined by section 2 of the Social Security Contributions and Benefits Act 1992 or, in Northern Ireland, section 2 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992;

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(5) 1992 c. 4. Section 30A was inserted by section 1(1) of the Social Security (Incapacity for Work) Act 1994 (c. 18) and amended by section 64 of the Welfare Reform and Pensions Act 1999 (c. 30); section 40 was substituted by paragraph 8 and section 41 by paragraph 9 of Schedule 1 to the Social Security (Incapacity for Work) Act 1994.

(6) 1992 c. 7. Section 30A was inserted by article 3(1) of the Social Security (Incapacity for Work) (Northern Ireland) Order 1994 (S.I. 1994/1898 (N.I. 12)) and amended by article 61 of the Welfare Reform and Pensions (Northern Ireland) Order 1999 (S.I. 1999/3147 (N.I. 11)); section 40 was substituted by paragraph 8 and section 41 by paragraph 9 of Schedule 1 to the Social Security (Incapacity for Work) (Northern Ireland) Order 1994.

“taxable incapacity benefit” means any amount of incapacity benefit which is chargeable to income tax under Chapter 2 of Part 10 of ITEPA (tax on social security income).

### Application of other regulations

**174.—(1)** The following regulations apply, subject to this Chapter, to payments of taxable incapacity benefit with the modifications mentioned in paragraphs (2) to (4)—

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regulation 2	interpretation
regulation 15	flat rate codes
regulation 16	continued application of employee’s code
regulation 17	notice to employee of code
regulation 18	objections and appeals against employee’s code
regulation 19	amendment of code
regulation 20	notice to employer of amended code
regulation 21	deduction and repayment of tax by reference to employee’s code
regulations 22 to 25	cumulative basis
regulations 26 to 31	non-cumulative basis
regulation 33	nil tax code: no deductions or repayments
regulation 36	cessation of employment: Form P45
regulation 66	deductions working sheets
regulation 67	information to employees about payments and tax deducted
regulation 68	periodic payments to and recoveries from the Revenue
regulation 69	due date and receipts for payments of tax
regulation 70	quarterly tax periods
regulation 72	recovery from employee of tax not deducted by employer
regulation 73	annual return of relevant payments liable to deduction of tax
regulation 74	annual return of relevant payments not liable to deduction of tax
regulation 76	certificate if tax in regulation 73 return is unpaid
regulation 79	certificate after inspection of PAYE records
regulation 84	recovery of tax and interest
regulation 97	[ <sup>F6</sup> retention by employer of PAYE records]
regulation 98	multiple PAYE schemes

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regulation 102	succession to a business etc
regulation 141	direct collection and special arrangements
regulation 185	adjusting total net tax deducted for purposes of sections 59A(1) and 59B(1) TMA
regulation 188	assessments other than self-assessments
regulation 211	how information must or may be delivered by employers
regulation 216	service by post
regulation 218	certificate that sum due
regulation 219	payment by cheque.

(2) In the application of those regulations, the expressions listed in column 1 of Table 7 have the meanings shown in column 2 of the table.

**Table 7**

Meaning of expressions in application of other regulations

<i>1. Expression</i>	<i>2. Meaning for purposes of this Chapter</i>
employee	claimant
employer	Department
employment	award
relevant payments	taxable incapacity benefit.

(3) In regulation 15 (flat rate codes)—

- (a) omit paragraph (1);
- (b) omit paragraph (3)(a); and
- (c) for paragraph (3)(c) substitute—

“(c) the Inland Revenue consider that the code which would otherwise be the claimant’s code would result in too much tax being deducted for the tax year in question.”

(4) In regulation 21(1) (deduction and repayment of tax by reference to employee’s code), for “in accordance with these Regulations” substitute “in accordance with Chapter 3 of Part 8”.

#### **Textual Amendments**

**F6** Words in [reg. 174\(1\)](#) substituted (1.4.2009) by [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2009 \(S.I. 2009/588\)](#), regs. 1(1), 7

#### **Emergency IB code to be used before claimant’s code issued**

**175.**—(1) Paragraph (2) applies if the Department makes a payment of taxable incapacity benefit during a tax year to a single-income claimant before a code has been issued by the Inland Revenue for that year in respect of that award.

- (2) The Department must—
  - (a) deduct tax using an emergency IB code on the non-cumulative basis, and
  - (b) keep records in a deductions working sheet which it must prepare for the purpose.
- (3) The use of an emergency IB code under this regulation is treated as the issue of a code for the purposes of regulations 21, 36 and 180.

### **Return in respect of all claimants to taxable incapacity benefit**

**176.**—(1) When the Department first makes a payment of taxable incapacity benefit to a claimant it must immediately deliver a return to the Inland Revenue containing the following information.

- (2) The information is—
  - (a) the claimant's name,
  - (b) the claimant's address,
  - (c) the claimant's date of birth, if known,
  - (d) the claimant's national insurance number,
  - (e) the date on which the claimant's entitlement to taxable incapacity benefit began,
  - (f) the weekly rate of taxable incapacity benefit being paid to the claimant,
  - (g) if a code is being used for the payment, that code and whether it is used on the non-cumulative basis,
  - (h) if the payment was preceded by payment of incapacity benefit which was not taxable, the date that benefit was first paid, and
  - (i) the claimant's tax reference, if known.

### **Further return required in certain cases**

**177.**—(1) On making a subsequent payment of taxable incapacity benefit to the claimant, the Department must deliver a further return in accordance with regulation 176 as if that subsequent payment were the first payment, if conditions A and B are met.

(2) Condition A is that the Inland Revenue have previously determined the claimant's code in relation to the payments of incapacity benefit to be a nil tax code.

(3) Condition B is that the subsequent payment is the first payment to be made at a different rate from the rate subsisting at the time of that determination.

(4) In addition to providing the information listed in regulation 176(2), the Department must indicate in the further return that the weekly rate of taxable incapacity benefit being paid to the claimant represents a revised amount.

### **Delivery of Form P45 to Department**

**178.**—(1) This regulation applies if a single-income claimant—

- (a) has Parts 2 and 3 of Form P45, and
- (b) has not made, and does not intend to make, a claim for repayment of tax.

(2) The claimant must deliver Parts 2 and 3 of Form P45 when making a claim, and the Department must immediately send them to the Inland Revenue office.

### Determination of claimant's code by Inland Revenue

**179.**—(1) On receiving a return under regulation 176 relating to a single-income claimant, the Inland Revenue must determine the code for the claimant.

(2) The Inland Revenue may determine the code for a claimant who is not a single-income claimant if they consider that it would be impractical to collect tax arising on the claimant's taxable incapacity benefit by other means.

(3) In determining the code for a claimant under this regulation, regulation 14(1) (matters to which Revenue must have regard in determining an employee's code) does not apply.

(4) If the Inland Revenue are satisfied the claimant is entitled, for the tax year for which the code is determined, to any of the following reliefs from income tax, they must have regard to that relief in determining the code for the claimant under this regulation.

(5) The reliefs are—

- (a) personal allowance (section 257(1) of ICTA(7)),
- (b) married couple's allowance (section 257A of ICTA(8)), and
- (c) blind person's allowance (section 265(1) of ICTA(9)).

(6) If the Inland Revenue determine the code for a claimant before the beginning of the tax year for which it is determined, the Inland Revenue—

- (a) must have regard to any expected change in the amounts of those reliefs, but
- (b) may disregard any of those reliefs if they are not satisfied that the claimant will be entitled to it for the tax year for which it is determined.

### Death of claimant

**180.**—(1) On the death of a claimant in respect of whom a code has been issued by the Inland Revenue, the Department must—

- (a) complete Form P45 indicating in Part 1 that the claimant has died, and
- (b) send it to the Inland Revenue.

(2) The Department must comply with paragraph (1)—

- (a) on the day on which it learns of the claimant's death, or
- (b) if that is not practicable, without unreasonable delay.

(3) Paragraph (4) applies if the Department makes any payment of taxable incapacity benefit after the date of the claimant's death—

- (a) before completing Form P45, or
- (b) after completing Form P45 but during the tax year in which the claimant died.

(4) The Department must, on making the payment, deduct or repay tax as if the deceased claimant were still alive and the award had not ceased at the date of payment.

(5) Regulation 37(2) to (6) (PAYE income paid after employment ceased) applies to any payment of taxable incapacity benefit which—

- (a) is made in a tax year following the tax year in which the claimant died, and

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(7) Section 257 was substituted by section 33 of the Finance Act 1988 (c. 39).

(8) Section 257A was inserted by section 33 of the Finance Act 1988, and amended by section 33(8)(a) and (9)(b) of the Finance Act 1989 (c. 26), section 77(2) of, and paragraph 1 of Schedule 8 to, the Finance Act 1994 (c. 9), paragraph 14 of Schedule 20 to the Finance Act 1996 and section 31(1) to (8) of the Finance Act 1999 (c. 16).

(9) Section 265 was substituted by paragraph 8 of Schedule 3 to the Finance Act 1988, and subsection (1) was amended by paragraph 19 of Schedule 20 to the Finance Act 1996 (c. 8).



- (b) is not included in Form P45.

## CHAPTER 4

### INCOME SUPPORT

#### Interpretation of Chapter 4

**181.** In this Chapter—

“award” means an award of income support;

“claim” means a claim for income support;

“claimant” means a person who has made a claim;

“Department” means the Department for Work and Pensions or, in Northern Ireland, the Department for Social Development;

“income support” means benefit payable under—

- (a) section 124 of the Social Security Contributions and Benefits Act 1992<sup>(10)</sup>, or
- (b) in Northern Ireland, section 123 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992<sup>(11)</sup>;

“taxable income support” means any amount of income support which is chargeable to income tax under Chapter 2 of Part 10 of ITEPA (tax on social security income).

#### Recording the amount of taxable income support

**182.** Whenever the Department makes a payment of taxable income support it must—

- (a) record the amount, and
- (b) pay the full sum without any deduction or repayment of income tax.

#### Information to be supplied when an award of taxable income support ceases

**183.**—(1) This regulation applies when an award of taxable income support ceases.

(2) The Department must give notice to the Inland Revenue and, except where the claimant has died, the claimant of—

- (a) the total income support, and
- (b) the taxable income support,

paid in respect of the award showing the amounts appropriate to each tax year.

(3) If the Department has been notified of the name and address of a deceased claimant’s personal representative within 30 days of the claimant’s death, the Department must send the notice to the personal representative.

#### Adjustments of taxable income support

**184.**—(1) Paragraph (2) applies if, after the issue of a notice under regulation 183(2)—

- (a) further taxable income support is paid to the claimant, or
- (b) taxable income support overpaid is recovered from the claimant.

(2) The Department must—

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<sup>(10)</sup> 1992 c. 4; section 124 was amended by paragraph 30 of Schedule 2 and Schedule 3 to the Jobseekers Act 1995 (c. 18).

<sup>(11)</sup> 1992 c. 7; section 123 was amended by paragraph 13 of Schedule 2 to the Jobseekers (Northern Ireland) Order 1995 (S.I. 1995/2705 (N.I. 15)).

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- (a) notify the claimant of the revised figure of total income support and the taxable income support included in that revised figure, and
- (b) notify the Inland Revenue of any adjustment to the figure of taxable income support, showing the amounts appropriate to each tax year.

## [<sup>F7</sup>CHAPTER 5

### EMPLOYMENT AND SUPPORT ALLOWANCE

#### Textual Amendments

**F7** Pt. 8 Ch. 5 inserted (27.10.2008) by [The Income Tax \(Pay As You Earn\) \(Amendment\) \(No.2\) Regulations 2008 \(S.I. 2008/2601\)](#), regs. 1, 3

#### Interpretation of Chapter 5

**184A.** In this Chapter—

“award” means an award of employment and support allowance;

“claim” means a claim for employment and support allowance;

“claimant” means a person who has made a claim;

“Department” means the Department for Work and Pensions or, in Northern Ireland, the Department for Social Development”;

“employment and support allowance” means benefit payable under—

(a) the Welfare Reform Act 2007, or

(b) in Northern Ireland, the Welfare Reform Act (Northern Ireland) 2007;

“taxable employment and support allowance” means any amount of employment and support allowance which is chargeable to income tax under Chapter 2 of Part 10 of ITEPA (tax on social security income).

#### Application of other regulations

**184B.**—(1) The following regulations apply to payments of employment and support allowance made to a claimant with the modifications mentioned in paragraphs (2) to [<sup>F8</sup>(5)] —

regulation 2	interpretation
regulation 14	matters relevant to determination of code
regulation 15	flat rate codes
regulation 16	continued application of employee’s code
regulation 17	notice to employee of code
regulation 18	objections and appeals against employee’s code
regulation 19	amendment of code
regulation 20	notice to employer of amended code
regulation 21	deduction and repayment of tax by reference to employee’s code

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regulation 97	[ <sup>F9</sup> retention by employer of PAYE records]
regulation 98	multiple PAYE schemes
regulation 102	succession to a business etc
[ <sup>F10</sup> regulation 185	Adjusting total net tax deducted for purposes of sections 59A(1), 59B(1) and 59BA(2) TMA]
[ <sup>F11</sup> [ <sup>F12</sup> regulation 205	mandatory use of electronic communications]
regulation 206	employers <sup>F13</sup> ...
regulation 207	specified information
<sup>F14</sup> ...	<sup>F14</sup> ...
regulation 209	standards of accuracy and completeness
regulation 210	penalty for failing to deliver <sup>F15</sup> ... specified information
<sup>F16</sup> ...	<sup>F16</sup> ...
regulation 210C	appeals and interest ]
regulation 211	how information must or may be delivered by employers
regulation 214	how information must be provided by employees
regulation 216	service by post.

(2) In the application of those regulations, the expressions listed in column 1 of Table 7A have the meanings shown in column 2 of the table.

**Table 7A**

**Meaning of expressions in application of other regulations**

<i>1. Expression</i>	<i>2. Meaning for purposes of this Chapter</i>
Employee	claimant
[ <sup>F17</sup> Employer <sup>F18</sup> ...]	Department
Employment	award
Relevant payments	taxable employment and support allowance

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(3) In the application of regulations 20 (notice to employer of amended code) and 21 (deduction and repayment of tax by reference to employee's code), any reference to the deduction or repayment of tax shall be read as a reference to the tax calculation which the Department is required to make at the end of the tax year or on the cessation of an award (by virtue of regulation 184I(2)(a) and 184K(2).

(4) In the application of regulation 207 (specified information) the reference to specified information shall be read as including references to—

- (a) the return and accompanying information required by regulations 184G (return in respect of all claimants to taxable employment and support allowance) and 184J (annual return),
- (b) Part 1 of Form P45ESA, and
- (c) the information required under regulation 184E(9).

[<sup>F19</sup>(5) In the application of regulation 210 (penalty for failing to deliver specified information)—

- (a) where the specified information is the return and accompanying information required by regulation 184J (annual return) the penalty will be determined in accordance with regulation [<sup>F20</sup>210AA], and
- (b) where the specified information is 184G (return in respect of all claimants to taxable employment and support allowance), Part 1 of Form P45ESA or the information required under regulation 184E(9) the penalty will be determined in accordance with [<sup>F21</sup>regulations 210B and 210BA].]

#### Textual Amendments

- F8** Word in reg. 184B(1) substituted (6.4.2010) by [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2010 \(S.I. 2010/668\)](#), regs. 1(2), **17(a)**
- F9** Words in reg. 184B substituted (1.4.2009) by [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2009 \(S.I. 2009/588\)](#), regs. 1(1), **7**
- F10** Words in reg. 184B(1) substituted (6.4.2017) by [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2017 \(S.I. 2017/414\)](#), regs. 1, **5**
- F11** Words in reg. 184B(1) substituted (13.8. 2009 with effect in relation to the tax year 2009-10 and subsequent tax years) by [The Income Tax \(Pay As You Earn\) \(Amendment No. 2\) Regulations 2009 \(S.I. 2009/2029\)](#), regs. 1(2)(4), **3(a)**
- F12** Words in reg. 184B(1) substituted (6.4.2011 in relation to the tax year 2011-12 and subsequent tax years) by [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2010 \(S.I. 2010/668\)](#), regs. 1(4), **17(b)(i)**
- F13** Words in reg. 184B(1) omitted (6.4.2011 in relation to the tax year 2011-12 and subsequent tax years) by virtue of [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2010 \(S.I. 2010/668\)](#), regs. 1(4), **17(b)(ii)**
- F14** Words in reg. 184B(1) omitted (in relation to the tax year 2010-11 and subsequent tax years) by virtue of [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2010 \(S.I. 2010/668\)](#), regs. 1(3), **17(b)(iii)**
- F15** Words in reg. 184B(1) omitted (6.4.2011 in relation to the tax year 2011-12 and subsequent tax years) by virtue of [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2010 \(S.I. 2010/668\)](#), regs. 1(4), **17(b)(iv)**
- F16** Words in reg. 184B(1) omitted (6.4.2010) by virtue of [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2010 \(S.I. 2010/668\)](#), regs. 1(2), **17(b)(v)**
- F17** Words in reg. 184B(2) Table 7A substituted (13.8. 2009 with effect in relation to the tax year 2009-10 and subsequent tax years) by [The Income Tax \(Pay As You Earn\) \(Amendment No. 2\) Regulations 2009 \(S.I. 2009/2029\)](#), regs. 1(2)(4), **3(b)**

- F18** Words in [reg. 184B\(2\)](#) omitted (6.4.2011 in relation to the tax year 2011-12 and subsequent tax years) by virtue of [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2010 \(S.I. 2010/668\)](#), regs. [1\(4\)](#), [17\(c\)](#)
- F19** [Reg. 184B\(5\)](#) inserted (6.4.2010) by [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2010 \(S.I. 2010/668\)](#), regs. [1\(2\)](#), [17\(d\)](#)
- F20** Word in [reg. 184B\(5\)](#) substituted (6.4.2011 in relation to the tax year 2011-12 and subsequent tax years) by [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2010 \(S.I. 2010/668\)](#), regs. [1\(4\)](#), [17\(e\)](#)
- F21** Words in [reg. 184B\(5\)](#) substituted (6.4.2011 in relation to the tax year 2011-12 and subsequent tax years) by [The Income Tax \(Pay As You Earn\) \(Amendment\) Regulations 2010 \(S.I. 2010/668\)](#), regs. [1\(4\)](#), [17\(e\)](#)

### Obtaining the claimant's Form P45

**184C.**—(1) A claimant who has Parts 2 and 3 of Form P45 must deliver them to the Department on making a claim for employment and support allowance which includes taxable employment and support allowance.

(2) If on making a claim, the claimant declares that the claimant's last employer did not provide Parts 2 and 3 of Form P45, the Department may require the employer to deliver them to a specified officer of the Department.

### Deductions working sheet for claimants awarded taxable employment and support allowance

**184D.**—(1) The Department must prepare a deductions working sheet in respect of each claimant whose award includes taxable employment and support allowance.

(2) If the Department obtains Parts 2 and 3 of Form P45 relating to the claimant, it must immediately prepare the deductions working sheet using the information shown in Parts 2 and 3 of Form P45 in accordance with regulation 184E.

(3) If the Department does not obtain Parts 2 and 3 of Form P45 relating to the claimant, it must prepare the deductions working sheet in accordance with regulation 184F.

### Form P45: deductions working sheet and return

**184E.**—(1) If Parts 2 and 3 of Form P45 relate to the current tax year, the Department must record in the deductions working sheet the total payments to date shown in Parts 2 and 3 of Form P45.

(2) If Parts 2 and 3 of Form P45 relate to the current tax year and show that the cumulative basis has been used, the Department must also—

- (a) record the following information from Parts 2 and 3 of Form P45 in the deductions working sheet, or
- (b) keep such records as enable production of the information.

(3) If the code shown in Parts 2 and 3 of Form P45 is a K code, the information is—

- (a) the code shown,
- (b) the total additional pay to date,
- (c) the total taxable payments to date, and
- (d) the lower of the total tax to date as at the week or month shown in Parts 2 and 3 of Form P45 or the total net tax deducted shown in them.

(4) In any other case, the information is—

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- (a) the code shown,
  - (b) the total free pay to date,
  - (c) the total taxable payments to date, and
  - (d) the corresponding total tax to date as at the week or month shown in Parts 2 and 3 of Form P45.
- (5) Paragraph (6) applies if—
- (a) the claim is made by 24th May in a tax year, and
  - (b) Parts 2 and 3 of Form P45 show that the last relevant payment was made in the preceding tax year.
- (6) The Department must complete the deductions working sheet but without recording the total payments to date or total net tax deducted (if any) shown in Parts 2 and 3 of Form P45.
- (7) In cases falling within paragraphs (1) and (6), the code shown in Parts 2 and 3 of Form P45 must be treated as the claimant's code for the purposes of these Regulations.
- (8) If, in a case not falling within paragraph (6), Parts 2 and 3 of Form P45 show that the last relevant payment was made in a tax year preceding that in which the claim was made, the Department—
- (a) must complete the deductions working sheet but without recording the total payments to date or total net tax deducted (if any) shown in parts 2 and 3 of Form P45, and
  - (b) must record the emergency code as the claimant's code.
- (9) The Department must supply the information recorded under this regulation to HMRC together with such further information as may be required for the purposes of these Regulations.

#### **No Form P45: deductions working sheet and return**

- 184F.** In a case falling within regulation 184D(3) (no Form P45), the Department must—
- (a) prepare the deductions working sheet within 14 days of the award of a taxable employment and support allowance, and
  - (b) record the emergency code as the claimant's code.

#### **Return in respect of all claimants to taxable employment and support allowance**

**184G.**—(1) When the Department first makes a payment of taxable employment and support allowance to a claimant it must deliver a return to HMRC containing the following information.

- (2) The information is—
- (a) the claimant's name,
  - (b) the claimant's address,
  - (c) the claimant's date of birth, if known,
  - (d) the claimant's national insurance number,
  - (e) the date on which the claimant's entitlement to taxable employment and support allowance began,
  - (f) the weekly rate of taxable employment and support allowance being paid to the claimant,
  - (g) if the payment was preceded by a payment of employment and support allowance which was not taxable, the date that benefit was first paid, and
  - (h) the claimant's tax reference, if known.
- (3) But the return need not be delivered if the claimant certifies that the claimant—

- (a) is undergoing a course of full-time education and has not had regular employment since the previous 6th April, or
- (b) has not had regular employment since finishing full-time education.

#### **Further return required in certain cases**

**184H.**—(1) On making a subsequent payment of taxable employment and support allowance to the claimant, the Department must deliver a further return in accordance with regulation 184G as if that subsequent payment were the first payment, if the condition set out in paragraph (2) is met.

(2) The condition is that the subsequent payment is the first payment to be made at a different rate from the rate subsisting at the time of that determination.

(3) In addition to providing the information listed in regulation 184G(2), the Department must indicate in the further return that the weekly rate of taxable employment and support allowance being paid to the claimant represents a revised amount.

#### **Obligations at the end of the year**

**184I.**—(1) This regulation applies in respect of each award which includes taxable employment and support allowance and which continues beyond the end of a tax year.

- (2) Before 1st June following the end of the tax year the Department must—
  - (a) make a tax calculation in accordance with regulation 184N if the claimant's code is used on the cumulative basis; and
  - (b) subject to paragraph (3), issue a certificate to the claimant.
- (3) The Department need not issue a certificate if—
  - (a) no taxable employment and support allowance has been paid, and
  - (b) a tax calculation in accordance with regulation 184N is not required.
- (4) The certificate must show—
  - (a) the tax year to which it relates,
  - (b) the total employment and support allowance for the tax year excluding any amounts previously notified under regulations 184L(4) and 184Q(2)(a),
  - (c) the taxable employment and support allowance included in the total employment and support allowance,
  - (d) the claimant's code,
  - (e) the claimant's national insurance number,
  - (f) the claimant's address (if known),
  - (h) any previous relevant payments and any tax deducted from those relevant payments which the Department was required to take into account under regulation 184N,
  - (i) any total payments to date recorded by the Department in accordance with regulation 184E(1) plus the total taxable employment and support allowance for the tax year, and the corresponding total net tax deducted, and
  - (j) the amount of tax refunded by the Department.

#### **Annual return**

**184J.**—(1) This regulation applies in respect of each award which includes taxable employment and support allowance.

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(2) Before 1st June following the end of the tax year, the Department must deliver a return to HMRC.

(3) The return must show—

- (a) the particulars specified in regulation 184I(4), and
- (b) if a calculation is required under regulation 184N any amount of tax outstanding.

#### **When an award ceases**

**184K.**—(1) For the purposes of these Regulations an award ceases when entitlement to an employment and support allowance ceases.

(2) When an award of a taxable employment and support allowance ceases, the Department must make a tax calculation in accordance with regulation 184N.

(3) The relevant date for the purposes of that calculation is the date on which the award ceases.

(4) The date on which the award ceases is the last day for which benefit was paid and was not recoverable, except that if the last day is 4th or 5th April the date is the preceding 3rd April.

(5) But the Department need not amend a tax calculation solely because the date used for the purposes of the calculation is subsequently shown to be incorrect.

#### **Cessation of award: Form P45ESA**

**184L.**—(1) When an award of a taxable employment and support allowance ceases, the Department must immediately complete Form P45ESA.

(2) The Department must then—

- (a) send Part 1 of Form P45ESA to HMRC; and
- (b) provide Part 1A of P45ESA and Parts 2 and 3 of Form P45 to the claimant.

(3) The information listed in column 1 of Table 7B must, subject to the conditions set out in column 2, be provided in Parts 1 and 1A of Form P45ESA and Parts 2 and 3 of Form P45 as indicated in columns 3 to 5.

**Table 7B**

#### **Information which must be provided in Form P45ESA**

<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
<i>Information to be provided</i>	<i>Conditions</i>	<i>Form P45ESA</i>	<i>Form P45ESA</i>	<i>Form P45</i>
		<i>Part 1</i>	<i>Part 1A</i>	<i>Parts 2 and 3</i>
1. the tax reference as shown in the deductions working sheet		yes	yes	yes
2. claimant's national insurance number		yes	yes	yes
3. claimant's name		yes	yes	yes
4. the date on which the award ceased		yes	yes	yes



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<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
<i>Information to be provided</i>	<i>Conditions</i>	<i>Form P45ESA</i>	<i>Form P45ESA</i>	<i>Form P45</i>
		<i>Part 1</i>	<i>Part 1A</i>	<i>Parts 2 and 3</i>
5. the claimant's code or, if more than one, the latest code for the tax year during which the award ceased		yes	yes	yes
6. whether the claimant's code is used on the cumulative basis		yes	yes	yes
7. the tax week or month in which the award ceased	if the claimant's code is used on the cumulative basis	yes	yes	yes
8. the total payments to date (including taxable employment and support allowance) at the date the award ceased, and the corresponding total net tax deducted	if the claimant's code is used on the cumulative basis	yes	yes	yes
9. the taxable employment and support allowance paid during the tax year by virtue of the award in question	if the claimant's code is used on the cumulative basis, and if different from the information supplied under item 8	yes	yes	no
10. the taxable employment and support allowance paid during the tax year in question by virtue of the award in question	if the claimant's code is not used on the cumulative basis	yes	yes	no
11. any amount of tax outstanding	if the claimant's code is used on the cumulative basis	yes	no	no
12. whether the claimant was self-employed immediately before the claim was made.		yes	no	no
13. whether the claimant is receiving a pension by reason of a former employment.		yes	no	no
14. the claimant's address	if known	yes	no	no
15. the address of the benefit office		yes	yes	no
16. the date the form is completed		yes	yes	no

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- (4) The Department must also give notice to the claimant of—
- (a) the total employment and support allowance for the tax year excluding any sums previously notified under this regulation and regulation 184Q(2)(a), and
  - (b) the taxable employment and support allowance included in that total.
- (5) Expressions used in Parts 2 and 3 of Form P45 have the following meanings—
- (a) “employee” means “claimant”;
  - (b) “leaving date” means “date the award ceased”; and
  - (c) “pay” means “employment and support allowance”.
- (6) Regulation 184M (death of claimant) modifies the requirements of this regulation if an award of taxable employment and support allowance has ceased on the death of the claimant.
- (7) If Form P45ESA has not come into use when the award of taxable employment and support allowance ceases, the Department must complete form P45U and any references to form P45ESA in these regulations shall be read as a reference to form P45U.

### Death of claimant

**184M.**—(1) On being informed of the death of a claimant whose award included taxable employment and support allowance, the Department must send HMRC the completed Form P45ESA indicating in Part 1 that the claimant has died.

(2) If the Department knows the name and address of the claimant’s personal representative the Department must send the notice referred to in regulation 184L(4) to the personal representative.

(3) But if the Department has not been notified of the name and address of the claimant’s personal representative within 30 days of the claimant’s death, the Department is not required—

- (a) to make a tax calculation under regulation 184N, nor
- (b) to issue the notice under regulation 184L(4).

### Tax calculation

**184N.**—(1) This regulation applies, subject to regulation 184O, if the Department is required by regulation 184I or 184K to make a tax calculation.

- (2) The Department must calculate in respect of the claimant as at the relevant date—
- (a) the total payments to date, and
  - (b) the claimant’s total tax.
- (3) If the recorded tax exceeds the claimant’s total tax, the Department must repay the excess to the claimant.
- (4) But if the recorded tax is less than the claimant’s total tax—
- (a) the difference is tax outstanding for the purposes of regulation 184J(3)(b) or item 11 of table 7B in regulation 184L(3), and
  - (b) the Department must treat the claimant’s code as issued by HMRC on the non-cumulative basis from the relevant date.
- (5) In this regulation—
- “claimant’s total tax” means—
- (a) if the claimant’s code is a K code, the lesser of—
    - (i) 50% of the claimant’s total payments to date, and

- (ii) the tax due in accordance with the appropriate tax tables in respect of the claimant's total taxable payments to date at the relevant date,
- (b) in any other case, the tax due in accordance with the appropriate tax tables in respect of the claimant's total taxable payments to date at the relevant date;

“recorded tax” means the total tax to date or (as the case may be) the total net tax deducted which was recorded in accordance with regulation 184E(3) or (4) when the claim was made;

“relevant date” means—

- (a) the end of the tax year, if the calculation is required by regulation 184I,
- (b) the date used for the purposes of the calculation, if the calculation is required by regulation 184K;

“total payments to date” means any payments to date recorded by the Department in accordance with regulation 184E(1) plus the total taxable employment and support allowance.

### **No tax calculation required in certain cases**

**184O.**—(1) A tax calculation made under regulation 184N is not required in any of the following cases—

- (a) if the claimant does not give the Department Parts 2 and 3 of form P45 and does not certify in accordance with regulation 184G(3) (students etc),
- (b) if the claimant gives the Department Parts 2 and 3 of Form P45 but they do not relate to the claimant's last employment or award before the present award, whichever is the later,
- (c) if the claimant is in receipt of a pension in respect of a former employment,
- (d) if it appears to the Department on the occasion of a claim that a previous award should have been treated as having ceased in accordance with regulation 184K (when an award ceases), or
- (e) if the claimant's code is a nil tax code, basic rate code or higher rate code.

(2) Those cases are treated as if HMRC had made a direction that the claimant's code must be used on the non-cumulative basis.

(3) Those cases are subject to a notification from HMRC under regulation 184P that revised particulars are to be substituted and used.

### **Claimant's code etc to be used for calculations**

**184P.**—(1) This regulation applies if, in respect of a claimant, the Department receives notification from HMRC of—

- (a) a code or amended code,
- (b) total payments to date, or
- (c) total net tax deducted.

(2) The Department must record that notification in substitution for any previous record and use it for the purpose of all calculations required under this Chapter.

### **Notification of taxable employment and support allowance**

**184Q.**—(1) Paragraph (2) applies if—

- (a) after a certificate under regulation 184I(2)(b) has been issued (or would have been issued but for regulation 184I(3)), or
- (b) after a notice has been issued under regulation 184L(4) or this regulation,

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**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Income Tax (Pay As You Earn) Regulations 2003. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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further taxable employment and support allowance is paid to, or taxable employment and support allowance overpaid is recovered from, the claimant.

(2) The Department must—

- (a) give notice to the claimant of the revised figure of total employment and support allowance and the taxable employment and support allowance included in that revised figure in accordance with the relevant regulation, and
- (b) notify HMRC of the sums paid or refunded.

### **Recording the amount of taxable employment and support allowance**

**184R.** Whenever a payment of employment and support allowance is made, the Department must record the taxable employment and support allowance included in the payment.

### **Finance**

**184S.**—(1) HMRC must advance monies to the National Funds of Great Britain and Northern Ireland at intervals to be agreed with the Department for use in making repayments of income tax under these Regulations.

(2) The Department must provide HMRC with a quarterly statement of receipts and payments made under this Chapter.]

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**Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:**

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- reg. 67BD inserted by [S.I. 2024/305 reg. 2\(2\)](#)
- reg. 72GA-72GC inserted by [S.I. 2024/355 reg. 2\(2\)](#)