
STATUTORY INSTRUMENTS

2003 No. 2682

The Income Tax (Pay As You Earn) Regulations 2003

PART 3

DEDUCTION AND REPAYMENT OF TAX

CHAPTER 1

DEDUCTION AND REPAYMENT

The cumulative basis

Cumulative basis: subsidiary PAYE income of employee paid weekly or at greater intervals

25.—(1) This regulation applies if—

- (a) an employee's main relevant payments are normally made at regular intervals of a week or more,
- (b) the employee's code is used on the cumulative basis, and
- (c) the employer makes a payment in respect of overtime or other extra earnings (the "extra payment").

(2) For the purposes of calculating the deduction or repayment of tax, the extra payment is treated as made on the same date as that on which the main relevant payment in the payment period is due to be paid or is due to be treated as paid by regulation 24 (employee not paid weekly or monthly).

(3) But paragraph (4) applies if the extra payment is actually made before the date on which the main relevant payment in the payment period is due to be paid (disregarding the effects of regulation 24).

(4) A repayment which would (but for this paragraph) be due under regulation 23(6) on making the extra payment must not be paid to the employee, but must instead be added to the previous total tax (as defined by regulation 23(8)) on making the next relevant payment.

(5) This regulation does not apply if the extra payment is made in a short payment period (but regulation 31 applies instead if that period contains an extra pay day).

(6) "Payment period"—

- (a) in the case of an employee normally paid weekly, means a tax week,
- (b) in the case of an employee normally paid monthly, means a tax month,
- (c) in the case of an employee normally paid at other regular intervals, has the meaning given in paragraph (7).

(7) In the case mentioned in paragraph (6)(c)—

- (a) the first payment period in a tax year starts on 6th April and finishes at the end of the employee's normal regular payment interval, and

Changes to legislation: *The Income Tax (Pay As You Earn) Regulations 2003, Section 25 is up to date with all changes known to be in force on or before 02 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

- (b) subsequent payment periods in the tax year start the day after the end of the previous payment period and finish—
 - (i) at the end of the employee’s normal regular payment interval, or
 - (ii) on 5th April (if earlier).
- (8) “Short payment period” means the last payment period in a tax year if, because of paragraph (7)(b)(ii), it is shorter than the previous payment periods.
- (9) “Extra pay day” has the meaning given in regulation 31(4).

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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\(2\)](#)