
STATUTORY INSTRUMENTS

2019 No. 201

**The Devolved Income Tax Rates
(Consequential Amendments) Order 2019**

Amendment of the Finance Act 2004

7.—(1) Section 227 (annual allowance charge) is amended as follows.

(2) In subsection (4A)(1) in the second sentence, after “Scottish taxpayer” insert “and subsection (4AB) applies in the case of a Welsh taxpayer”.

(3) After subsection (4AA)(2) insert—

“(4AB) The appropriate rate for a Welsh taxpayer is—

- (a) the Welsh basic rate in relation to so much (if any) of the chargeable amount as, when added to the individual’s reduced net income for the tax year, does not exceed the basic rate limit for the tax year,
- (b) the Welsh higher rate in relation to so much (if any) of the chargeable amount as, when so added, exceeds the basic rate limit for the tax year but does not exceed the higher rate limit for the tax year, and
- (c) the Welsh additional rate in relation to so much (if any) of the chargeable amount as, when so added, exceeds the higher rate limit for the tax year.”.

(4) In subsection (4C)(3), for “and (4AA)” substitute “, (4AA) and (4AB)”.

(1) Section 227(4A) was inserted by paragraph 3(4) of Schedule 17 to the Finance Act 2011 (c.11) and relevantly amended by paragraph 63(5) of Schedule 1 to the Taxation of Pensions Act 2014 (c. 30) and regulation 5 of S.I. 2017/468.
(2) Section 227(4AA) was inserted by regulation 4(5) of S.I. 2017/468.
(3) Section 227(4C) was substituted by regulation 4(5) of S.I. 2017/468.