1955 No. 499

The Double Taxation Relief (Taxes on Income) (U.S.A.) (No. 2) Regulations, 1955

Made - - - - 31*st March*, 1955
Coming into Operation 1*st June*, 1955

The Commissioners of Inland Revenue, in exercise of the powers conferred upon them by section 351 of the Income Tax Act, 1952(a), hereby make the following Regulations :—

1. These Regulations may be cited as the Double Taxation Relief (Taxes on Income) (U.S.A.) (No. 2) Regulations, 1955, and shall come into operation on the first day of June, 1955.

2.—(1) In these Regulations, " Irish tax " means the income tax (including surtax) and the corporation profits tax charged in the Republic of Ireland and any other tax of a substantially similar character which is imposed in the Republic of Ireland subsequent to the date of these Regulations ; other expressions have the same meaning as in the Double Taxation Relief (Taxes on Income) (U.S.A.) Regulations, 1946(b).

(2) The Interpretation Act, 1889(c), shall apply to these Regulations as it applies to an Act of Parliament.

3. The Double Taxation Relief (Taxes on Income) (U.S.A.) Regulations, 1946, shall have effect—

(*a*) as if the following proviso were added at the end of paragraph (1) of Regulation 4 :—

" Provided that where the person beneficially entitled to the dividend is not resident in the United Kingdom but is resident in the Republic of Ireland and is subject to Irish tax on that dividend this paragraph shall not apply."

(*b*) as if the following words were added at the end of sub-paragraph (*b*) of paragraph (2) of Regulation 4 :—

" and, where United States dividends have been entrusted to him for payment to residents of the Republic of Ireland, showing in addition the total of the amounts of those dividends."

(*c*) as if the following proviso were added at the end of Regulation 5 :—

" Provided that where the person beneficially entitled to the dividend is not resident in the United Kingdom but is resident in the Republic of Ireland and is subject to Irish tax on that dividend this Regulation shall not apply."

By Order of the Commissioners of Inland Revenue.

E. R. Brookes,
Secretary.

31st March, 1955.

(a) 15 & 16 Geo. 6 & 1 Eliz. 2. c. 10.
(b) S.R. & O. 1946/1331 (Rev. X, p. 332: 1946 I, p. 895).
(c) 52 & 53 Vict. c. 63.

EXPLANATORY NOTE

(This Note is not part of the Regulations, but is intended to indicate their general purport.)

The purpose of these Regulations is to relieve paying agents in this country of the obligation to deduct United States withholding tax from dividends paid to persons in the Republic of Ireland and to accord to those persons the same treatment as that accorded to persons resident in the United Kingdom.

The dividends of United States companies paid to persons not resident in the United States are normally subject to United States withholding tax of 30 per cent. Under the Convention between the United Kingdom and the United States for the relief of double taxation this tax is reduced to 15 per cent. where the shareholder is a resident of the United Kingdom. Persons in the United States paying dividends to an address in the United Kingdom therefore deduct tax at only 15 per cent. If the person beneficially entitled to the dividend is, however, not a resident of the United Kingdom, he is not entitled under the Convention to this reduction; the Double Taxation Relief (Taxes on Income) (U.S.A.) Regulations, 1946, accordingly provide that when such dividends are paid through a paying agent in the United Kingdom to persons not resident in the United Kingdom the paying agent shall instead deduct an additional 15 per cent. United States withholding tax and account for it to the United Kingdom Commissioners of Inland Revenue, who will then account for it to the United States taxation authorities.

Under the Convention between the United States and the Republic of Ireland for the relief of double taxation the United States withholding tax is similarly reduced to 15 per cent. on dividends paid to residents of Ireland. These Regulations, therefore, amend the Regulations of 1946 to enable paying agents in the United Kingdom to pay United States dividends to residents of Ireland without deducting any additional United States withholding tax.

P.A.Y.E.

1955 No. 835

The Income Tax (Employments) (No. 6) Regulations, 1955

Made - - - -	10*th June*, 1955
Laid before the House of Commons	17*th June*, 1955
Coming into Operation	6*th July*, 1955

The Commissioners of Inland Revenue, in exercise of the powers conferred upon them by Section 157 of the Income Tax Act, 1952(a), hereby make the following Regulations:—

1. These Regulations may be cited as the Income Tax (Employments) (No. 6) Regulations, 1955, and shall come into operation on the 6th day of July, 1955.

2. In these Regulations the expression "the principal Regulations" means the Income Tax (Employments) Regulations, 1950(b), as amended by the Income Tax (Employments) (No. 2) Regulations, 1951(c), the Income Tax (Employments) (No. 3) Regulations, 1952(d), the Income Tax (Employments) (No. 4) Regulations, 1952(e), and the Income Tax (Employments) (No. 5) Regulations, 1954(f).

(a) 15 & 16 Geo. 6 & 1 Eliz. 2. c. 10.
(b) S.I. 1950/453 (1950 I, p. 1069).
(c) S.I. 1951/836 (1951 I, p. 1122).
(d) S.I. 1952/1004 (1952 I, p. 1219).
(e) S.I. 1952/ 1758 (1952 I, p. 1220).
(f) S.I. 1954/1577 (1954 I, p. 992).