Draft Regulations laid before Parliament under paragraph 1(3) of Schedule 7 to the European Union (Withdrawal) Act 2018, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2022 No. 0000

EXITING THE EUROPEAN UNION

EDUCATION

INCOME TAX

The European University Institute (EU Exit) Regulations 2022

Made - - - - ***

Coming into force in accordance with regulation 1

The Secretary of State makes the following Regulations in exercise of the powers conferred by section 8(1) of, and paragraphs 21(a) and (b) and 38(1) to (3) of Schedule 7 to the European Union (Withdrawal) Act 2018(**a**).

The Treasury makes the following Regulations in exercise of the power conferred by section 90(1)(b) of the Finance Act 2019(**b**).

In accordance with paragraph 1(3) of Schedule 7 to the European Union (Withdrawal) Act 2018 a draft of these Regulations was laid before Parliament and approved by a resolution of each House of Parliament.

Citation and commencement

1. These Regulations may be cited as the European University Institute (EU Exit) Regulations 2022 and come into force on the day after the day on which they are made.

Interpretation

2. In these Regulations—

"the Convention" means the Convention Setting up a European University Institute(**c**);

(**a**) 2018 c. 16.
(**b**) 2019 c. 1.
(**c**) Cmnd 5876; OJ C 29, 9.2.1976, p 1-17. The Convention Setting up a European University Institute ("the Convention") was signed by its original six members – Belgium, France, Germany, Italy, Luxembourg and the Netherlands – on 19 April 1972. The United Kingdom became a Contracting State to the Convention on 24 February 1975. The European Communities (Definition of Treaties) Order 1975 (S.I. 1975/408) specified the Convention as an "EU Treaty" as defined in section 1 of the European Communities Act 1972 (c. 68) and was revoked by the European Union (Definition of Treaties)

"the Protocol" means the Protocol on the Privileges and Immunities of the European University Institute annexed to, and forming part of the Convention;

"relevant contract" means a contract of employment requiring service for the European University Institute, which is in effect immediately before the coming into force of these Regulations.

Cessation of rights, etc.

3. Subject to regulations 4 to 6, any rights, powers, liabilities, obligations, restrictions, remedies or procedures which—

(a) are derived from the Convention; and

(b) continue by virtue of section 4(1) of the European Union (Withdrawal) Act 2018(**a**),

cease to be recognised and available in domestic law (and to be enforced, allowed and followed accordingly).

4. Regulation 3 does not apply to any such right, power, liability, obligation, restriction, remedy or procedure which—

(a) is derived from article 9(1)(a) of the Protocol (immunity from legal proceedings); and

(b) relates to acts done prior to the coming into force of these Regulations.

Saving of rights, etc.

5. Any such right, power, liability, obligation, restriction, remedy or procedure which —

(a) is derived from article 9(1)(a) of the Protocol (immunity from legal proceedings);

(b) accrues to or applies to an individual who is party to a relevant contract; and

(c) relates to acts done by that individual after the coming into force of these Regulations but before the term of that contract comes to an end,

is saved.

6. Any such right, power, liability, obligation, restriction, remedy or procedure which—

(a) is derived from article 12(1) of the Protocol (income tax privilege);

(b) accrues to or applies to an individual who is party to a relevant contract; and

(c) relates to any salaries, wages or emoluments earned by that individual during the term of that contract,

is saved.

7. For the purposes of regulations 5 and 6 the term of the relevant contract is that prevailing immediately before the coming into force of these Regulations ("the prevailing term"), and does not include any period of extension, continuation or renewal of the prevailing term which commences after the entry into force of these Regulations.

Name
Minister of State
Department for Education

Date

Name

(Revocation) (EU Exit) Regulations 2018 (S.I. 2018/1012) which came into force on IP completion day (31 December 2020). The relevant version of the Convention is that in force immediately before exit day.

(**a**) Section 4(1) of the European Union (Withdrawal) Act 2018 was amended by section 25(3) of the European Union (Withdrawal Agreement) Act 2020 (c. 1).

Name

Date Two of the Lord Commissioners of His Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made in exercise of the powers conferred by section 8(1) of the European Union (Withdrawal) Act 2018 (c. 16) to remedy or mitigate deficiencies arising from the withdrawal of the United Kingdom from the EU.

These Regulations are also made in exercise of the powers conferred on the Treasury by section 90(1)(b) of the Finance Act 2019 (c. 1), in so far as they have the effect of imposing or increasing taxation by removing retained EU law relating to income tax.

Regulation 3 makes provision to remedy deficiencies arising as a result of the fact that the UK is no longer a Contracting State to the Convention Setting up a European University Institute by revoking the retained EU law which derives from the Convention.

Regulation 4 disapplies that revocation in relation to legal proceedings immunity that applied to acts done in service of the Institute prior to the coming into force of the Regulations.

Regulations 5 and 6 make saving provision in respect of individuals who are serving as staff of the Institute immediately before the coming into force of the Regulations. Regulation 5 provides for continued immunity for those staff from legal proceedings in respect of acts done in service of the Institute during the term of their contract with the EUI. Regulation 6 provides that the income tax privilege relating to salaries, wages and emoluments earned by those staff continues during the term of their contract.

Regulation 7 provides that the term of the contract is that in place immediately before the coming into force of these Regulations, and does not include any changes which take effect after that time.

A copy of the Convention that was in force immediately before exit day from which the rights are retained, is published alongside this SI and copies can be obtained on request from the Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT.

An impact assessment has not been produced for these Regulations as no, or no significant, impact on the private or voluntary sectors is foreseen.

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