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).

3. Regulations 19 and 29 of the principal Regulations shall have effect, as regards payments of emoluments made on or after the 6th day of July, 1955, as if for any reference to a rate of £3 5s. 0d. or more a week there were substituted a reference to a rate of £3 15s. 0d. or more a week, and as if for any reference to a rate of £13 10s. 0d. or more a month there were substituted a reference to a rate of £15 10s. 0d. or more a month.

By Order of the Commissioners of Inland Revenue.

R. Willis,
Secretary.

10th June, 1955.

EXPLANATORY NOTE

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

These Regulations provide for raising the limit of weekly or monthly pay above which an employer has to operate the Pay As You Earn scheme for every employee, to take into account the increased Income Tax allowances provided by the Finance Act, 1955.

SPECIAL PROVISIONS

1955 No. 159

The Consular Conventions (Income Tax) (French Republic) Order, 1955

Made - - - -	1*st February,* 1955
Laid before the House of Commons	5*th February,* 1955
Coming into Operation	7*th February,* 1955

At the Court at Buckingham Palace, the 1st day of February, 1955

Present,

The Queen's Most Excellent Majesty in Council

Whereas it is provided by Section 24 (hereinafter referred to as "the Section") of the Finance Act, 1954(a), that certain income of consular officers and employees of any foreign state to which the Section applies shall, subject to certain limitations, be exempt from income tax:

And Whereas it is also provided by the Section that the Section shall apply to any foreign state to which Her Majesty by Order in Council directs that it shall apply for the purpose of giving effect to any consular convention or other arrangement with that state making similar provision in the case of Her Majesty's consular officers or employees in that state:

(a) 2 & 3 Eliz. 2. c. 44.