STATUTORY INSTRUMENTS

1974 No. 966

INCOME TAX

The Income Tax (Interest on Unpaid Tax) Order 1974

Made - - - - - - -	*4th June* 1974
Laid before the House of Commons	*10th June* 1974
Coming into Operation - - -	*1st July* 1974

The Treasury, in exercise of the powers conferred on them by section 40(2) of the Finance Act 1967(**a**) and by section 89(2) of the Taxes Management Act 1970(**b**) hereby make the following Order :—

1.—(1) This Order may be cited as the Income Tax (Interest on Unpaid Tax) Order 1974 and shall come into force on 1st July 1974.

(2) The Interpretation Act 1889(**c**) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

2. The rate of interest prescribed by the Income Tax (Interest on Unpaid Tax) Order 1969(**d**) (which relates to interest on unpaid profits tax, excess profits tax and excess profits levy) shall be increased, for the purposes of section 8 of the Finance (No. 2) Act 1947(**e**) as extended in accordance with section 40(6) of the Finance Act 1967, from 6 per cent per annum to 9 per cent per annum.

3. The rate of interest prescribed by section 89(1) of the Taxes Management Act 1970 (which relates to interest on unpaid income tax, surtax, capital gains tax and corporation tax including advance corporation tax) shall be increased—

(i) for the purposes of sections 86 and 87 of the Taxes Management Act 1970, from 6 per cent per annum to 9 per cent per annum ; and

(ii) for the purposes of section 88 of the Taxes Management Act 1970, from 4 per cent per annum to 9 per cent per annum.

James A. Dunn,
James Hamilton,
Two of the Lords Commissioners of Her Majesty's Treasury.

4th June 1974.

EXPLANATORY NOTE

(*This Note is not part of the Order.*)

This Order increases the rate of interest chargeable on overdue income tax, corporation tax (including advance corporation tax), capital gains tax, profits tax, excess profits tax and excess profits levy to 9 per cent per annum. The increase applies from 1st July 1974 whether or not interest runs from before that date.

(**a**) 1967 c. 54. (**b**) 1970 c. 9. (**c**) 1889 c. 63.
(**d**) S.I. 1969/535 (1969 I, p. 1463). (**e**) 1947 c. 9 (11 & 12 Geo. 6).

SI 1974/966
ISBN 0-11-040966-3

