STATUTORY INSTRUMENTS

1987 No. 1989

INCOME TAX

The Income Tax (Official Rate of Interest on Beneficial Loans) (No.4) Order 1987

Made - - - - - - -	*23rd November 1987*
Laid before the House of Commons	*24th November 1987*
Coming into force - - -	*6th December 1987*

The Treasury, in exercise of the powers conferred on them by section 66(9) of the Finance Act 1976(a), hereby make the following Order:

1. This Order may be cited as the Income Tax (Official Rate of Interest on Beneficial Loans) (No.4) Order 1987 and shall come into force on 6th December 1987.

2. For the purposes of section 66(b) of, and Schedule 8(c) to, the Finance Act 1976 (which impose a charge to income tax on beneficial loans) the official rate of interest is prescribed to be $10\frac{1}{2}$ per cent. per annum.

Mark Lennox-Boyd
David Lightbown
23rd November 1987 Two of the Lords Commissioners of Her Majesty's Treasury

(a) 1976 c.40. (b) Section 66 was amended by section 50(1) of the Finance Act 1980 (c.48) and by section 26(9) of the Finance Act 1982 (c.39). (c) Schedule 8 was amended by section 26(9) of the Finance Act 1982 (c.39) and by section 4 of the Finance (No.2) Act 1983 (c.49).

EXPLANATORY NOTE

(This note is not part of the Order)

By this Order the official rate of interest for the purposes of section 66 of, and Schedule 8 to, the Finance Act 1976 (charge to income tax on beneficial loans) is prescribed to be 10½ per cent. per annum on and after 6th December 1987.

Previous Orders–S.I. 1978/28, 1980/439, 1982/1273 and 1987/512, 886 and 1493–prescribed rates of 9 per cent. per annum (on and after 6th April 1978), 15 per cent. per annum (on and after 6th May 1980), 12 per cent. per annum (on and after 6th October 1982), 11½ per cent. per annum (on and after 6th April 1987), 10½ per cent. per annum (on and after 6th June 1987) and 11½ per cent. per annum (on and after 6th September 1987) respectively.

45p net

ISBN 0 11 077989 4

Printed in the United Kingdom for Her Majesty's Stationery Office

745 WO1871 C28 12/87 452/3 4235 PS 7944007 873520P