

**EXPLANATORY MEMORANDUM TO**  
**THE INCOME AND CORPORATION TAXES (ELECTRONIC CERTIFICATES OF**  
**DEDUCTION OF TAX AND TAX CREDIT) (AMENDMENT) REGULATIONS**

**2009 No. 2050**

1. This explanatory memorandum has been prepared by the Commissioner for Her Majesty's Revenue and Customs and is laid before the House of Commons by Command of Her Majesty.

This memorandum contains information for the Select Committee on Statutory Instruments.

2. **Purpose of the instrument**

These Regulations amend the Income and Corporation Taxes (Electronic Certificates of Deduction of Tax and Tax Credit) Regulations 2003 (SI 2003/3143) and allow for tax information provided by companies relating to their distributions to be delivered by electronic means in certain circumstances.

3. **Matters of special interest to the Select Committee on Statutory Instruments**

None

4. **Legislative Context**

Section 234A provides the framework for information relating to distributions made by a company. SI 2003/3143 extended the provisions to allow for information sent by companies to be delivered by electronic means, subject to certain conditions.

5. **Territorial Extent and Application**

This instrument applies to all of the United Kingdom.

6. **European Convention on Human Rights**

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. **Policy background**

- *What is being done and why*

7.1 The amendment made to SI 2003/3143 introduces an option for statutory dividend vouchers and tax deduction certificates to be delivered by electronic means where a company makes a payment of dividend or interest into a bank account or building society.

7.2 The amendment has been made to ensure that the provision to send tax information electronically by a company covers all the different ways in which a payment of a distribution is made.

- ***Consolidation***

7.7 The amendment to SI 2003/3142 is minor in nature and the first amendment of its kind. Hence, there is no plan to consolidate the relevant legislation.

## **8. Consultation outcome**

No consultation has been made in respect of the statutory instrument as the amendment made to SI 2003/3143 is very minor and will not be controversial in any way.

## **9. Guidance**

Guidance on the instrument will be published in HMRC's Corporate Tax Manual.

## **10. Impact**

An Impact Assessment has not been produced for part of the instrument as it has a negligible impact on business, charities or voluntary bodies.

## **11. Regulating small business**

The legislation is unlikely to apply to small business but if it does no further regulatory requirements will be required as it will be covered by existing provisions.

## **12. Monitoring & review**

The Government intends to monitor the effects as the industry takes up the option available.

## **13. Contact**

Michael Christy at HM Revenue & Customs Tel: 020 7147 2622 or email: [michael.christy2@hmrc.gsi.gov.uk](mailto:michael.christy2@hmrc.gsi.gov.uk) can answer any queries regarding the instrument.