

Rents payable to non-residents. FA69 s25 1041.—(1) Section 1034 shall not apply to—

(a) tax on profits or gains chargeable to tax under Case V of Schedule D, or

(b) tax on any of the profits or gains chargeable under Case IV of Schedule D which arise under the terms of a lease, but to a person other than the lessor, or which otherwise arise out of any disposition or contract such that if they arose to the person making it they would be chargeable under Case V of Schedule D,

where payment is made (whether in the State or elsewhere) directly to a person whose usual place of abode is outside the State; but section 238 shall apply in relation to the payment as it applies to other payments, being annual payments charged with tax under Schedule D and not payable out of profits or gains brought into charge to tax.

(2) Where by virtue of subsection (1) the tax chargeable for any year of assessment on a person's profits or gains chargeable to tax under either or both of the Cases referred to in that subsection would but for this subsection be greater than the tax which would be chargeable on such profits or gains but for subsection (1), then, on a claim in that behalf being made, relief shall be given from the excess, whether by repayment or otherwise.