

## CHAPTER 5 Interest on overdue tax

Interest on overdue income tax and corporation tax. ITA67 s550(1), (3), (4) and (5); FA71 s17(2); FA74 s86 and Sch2 Ptl; CTA76 s145(3); FA78 s46; FA85 s12; FA97 s146(1) and Sch9 Ptl par10(7) 1080.—(1) (a) Subject to this section and section 1081, any tax charged by any assessment to income tax or corporation tax shall carry interest at the rate of 1.25 per cent for each month or part of a month from the date when the tax becomes due and payable until payment.

(b) Any tax charged by any assessment to income tax shall, notwithstanding any appeal against such assessment, carry interest at the rate of 1.25 per cent for each month or part of a month from the date when, if there were no appeal against the assessment, the tax would become due and payable under section 960 until payment.

(2) Interest shall not be payable under this section on the tax charged by any assessment unless the total amount of the interest is not less than £1.

(3) The interest payable under this section—

(a) shall be payable without any deduction of income tax and shall not be allowed as a deduction in computing any income, profits or losses for any of the purposes of the Tax Acts, and

(b) shall be deemed to be a debt due to the Minister for Finance for the benefit of the Central Fund and shall be payable to the Revenue Commissioners,

and, subject to subsection (4)—

(i) every enactment relating to the recovery of any tax charged by an assessment,

(ii) every rule of court so relating,

(iii) section 81 of the Bankruptcy Act, 1988 , and

(iv) sections 98 and 285 of the Companies Act, 1963 ,

shall apply to the recovery of any amount of interest payable on that tax as if that amount of interest were a part of that tax.

(4) In proceedings instituted by virtue of subsection (3)—

(a) a certificate by the Collector-General certifying that a stated amount of interest is due and payable by the person against whom the proceedings were instituted shall be evidence until the contrary is proved that that amount is so due and payable, and

(b) a certificate so certifying and purporting to be signed by the Collector-General may be tendered in evidence without proof and shall be deemed until the contrary is proved to have been signed by the Collector-General.