

Interest on quoted Eurobonds. ITA67 s462A; FA94 s15 64.—(1) In this section—

“appropriate inspector” means the inspector authorised by the Revenue Commissioners for the purposes of this section;

“quoted Eurobond” means a security which—

- (a) is issued by a company,
- (b) is quoted on a recognised stock exchange,
- (c) is in bearer form, and
- (d) carries a right to interest;

“recognised clearing system” means any system for clearing quoted Eurobonds or relevant foreign securities which is for the time being designated for the purposes of this section by order of the Revenue Commissioners as a recognised clearing system;

“relevant foreign securities” means—

- (a) any such stocks, funds, shares or securities as give rise to dividends to which this Chapter applies, or
- (b) any such securities as give rise to foreign public revenue dividends within the meaning of section 32;

“relevant person” means—

- (a) the person by or through whom interest is paid, or
 - (b) a banker or any other person, or a dealer in coupons, referred to in section 62,
- as the case may be.

(2) Section 246 (2) shall not apply to interest paid on any quoted Eurobond where—

- (a) the person by or through whom the payment is made is not in the State, or
- (b) the payment is made by or through a person in the State, and—
 - (i) the quoted Eurobond is held in a recognised clearing system, or

(ii) the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in the State and has made a declaration of the kind mentioned in subsection (7).

(3) In a case within subsection (2)(b), the person by or through whom the payment is made shall deliver to the appropriate inspector—

(a) on demand by the appropriate inspector, an account of the amount of any such payment, and

(b) not later than 12 months after making any such payment and unless within that time that person delivers an account with respect to the payment under paragraph (a), a written statement specifying that person's name and address and describing the payment.

(4) Where by virtue of any provision of the Tax Acts interest paid on any quoted Eurobond is deemed to be income of a person other than the person who is the beneficial owner of the quoted Eurobond, subsection (2)(b)(ii) shall apply as if it referred to that other person.

(5) Sections 62 and 63 and, in so far as it relates to section 62, Schedule 2 shall apply in relation to interest on quoted Eurobonds as they would apply in relation to dividends to which this Chapter applies—

(a) if in paragraph (a) of section 62 the following were substituted for “applies elsewhere than in the State”:

“applies and—

(i) the payment of those dividends was not made by or entrusted to any person in the State, or

(ii) the stocks, funds and securities in respect of which those dividends are paid are held in a recognised clearing system”,

(b) if in section 63 the following were substituted for subsection (1)(a):

“(1) (a) No tax shall be chargeable in respect of dividends to which this Chapter applies which are payable in the State where the person who is the beneficial owner of the stocks, funds, shares or securities and who is beneficially entitled to the dividends is not resident in the State and has made a declaration of the kind mentioned in section 64 (7).”,

and

(c) if in paragraph 14(1) of Part 4 of Schedule 2 clauses (a) and (b) were deleted.

(6) An order referred to in the definition of “recognised clearing system”—

(a) may contain such transitional and other supplemental provisions as appear to the Revenue Commissioners to be necessary or expedient, and

(b) may be varied or revoked by a subsequent order.

(7) The declaration referred to in subsection (2)(b)(ii) or in subsection (1)(a) of section 63 (as construed by reference to subsection (5)(b)) shall be a declaration in writing to a relevant person which—

(a) is made by a person (in this section referred to as “the declarer”) to whom any interest in respect of which the declaration is made is payable by the relevant person, and is signed by the declarer,

(b) is made in such form as may be prescribed or authorised by the Revenue Commissioners,

(c) declares that at the time the declaration is made the person who is beneficially entitled to the interest is not resident in the State,

(d) contains as respects the person mentioned in paragraph (c)—

(i) the name of the person,

(ii) the address of that person's principal place of residence, and

(iii) the name of the country in which that person is resident at the time the declaration is made,

(e) contains an undertaking by the declarer that, if the person referred to in paragraph (c) becomes resident in the State, the declarer will notify the relevant person accordingly, and

(f) contains such other information as the Revenue Commissioners may reasonably require for the purposes of this section.

(8) (a) A relevant person shall—

(i) keep and retain for the longer of the following periods—

(I) a period of 6 years, and

(II) a period which ends not earlier than 3 years after the latest date on which interest in respect of which the declaration was made is paid,

and

(ii) on being so required by notice given in writing by an inspector, make available to the inspector within the time specified in the notice,

all declarations of the kind mentioned in this section which have been made in respect of interest paid by the relevant person.

(b) The inspector may examine or take extracts from or copies of any declarations made available under

paragraph (a).