

CHAPTER 6 Distributions — supplemental

Explanation of tax credit to be annexed to interest and dividend warrants. CTA76 s5 and s83(5) 152.—(1)
Every warrant, cheque or other order drawn or made, or purporting to be drawn or made, in payment by any company of any dividend, or of any interest which is a distribution, shall have annexed to it or be accompanied by a statement in writing showing—

(a) the amount of the dividend (distinguishing a dividend or any part of it which is paid out of capital profits of the company) or interest paid,

(b) (whether or not the recipient is a person entitled to a tax credit in respect of the dividend or interest) the amount of the tax credit to which a recipient who is such a person is entitled in respect of that dividend or interest, and

(c) the period for which that dividend or interest is paid.

(2) Where a company fails to comply with any of the provisions of subsection (1), the company shall incur a penalty of £10 in respect of each offence, but the aggregate amount of the penalties imposed under this section on any company in respect of offences connected with any one distribution of dividends or interest shall not exceed £100.

(3) (a) A company which makes a distribution (not being a distribution to which subsection (1) refers) shall, if the recipient so requests in writing, furnish to the recipient a statement in writing showing the amount or value of the distribution and (whether or not the recipient is a person entitled to a tax credit in respect of the distribution) the amount of the tax credit to which a recipient who is such a person is entitled in respect of the distribution.

(b) The duty imposed by this subsection shall be enforceable at the suit or instance of the person requesting the statement.