

Repayment of tax in case of certain husbands and wives. ITA67 s195C; FA93 s10(1) 1021.—(1) This section shall apply for a year of assessment in the case of a husband and wife one of whom is assessed to income tax for the year of assessment in accordance with section 1017 and to whom section 1023 does not apply for that year.

(2) Where for a year of assessment this section applies in the case of a husband and wife, any repayment of income tax to be made in respect of the aggregate of the net tax deducted or paid under any provision of the Tax Acts (including a tax credit in respect of a distribution from a company resident in the State) in respect of the total income (if any) of the husband and of the total income (if any) of the wife shall be allocated to the husband and the wife concerned in proportion to the net amounts of tax so deducted or paid in respect of their respective total incomes; but this subsection shall not apply where a repayment, which but for this subsection would not be made to a spouse, is less than £20.

(3) Notwithstanding subsection (2), where the inspector, having regard to all the circumstances of a case, is satisfied that a repayment or a greater part of a repayment of income tax arises by reason of some allowance or relief which, if sections 1023 and 1024 had applied for the year of assessment, would have been allowed to one spouse only, the inspector may make the repayment to the husband and the wife in such proportions as the inspector considers just and reasonable.