

Certain statements of interest. FA1986 s94(1) to (8) 126.—(1) (a) In this section—

“corporation tax” means the corporation tax charged by the Taxes Consolidation Act, 1997 ;

“Corporation Tax Acts” has the same meaning as in section 1 of the Taxes Consolidation Act, 1997 ;

“relevant interest” means any interest or other distribution which—

(i) is received by a company (in this section referred to as “the lender”) which is within the charge to corporation tax,

(ii) is payable out of the assets of another company (in this subsection referred to as “the borrower”) which is resident in the State for the purposes of corporation tax, in respect of a security of the borrower which is a security falling within subparagraph (ii), (iii) (I) or (v) of section 130 (2)(d) of the Taxes Consolidation Act, 1997 , and

(iii) is a distribution for the purposes of the Corporation Tax Acts;

“relevant period” means any period of 6 months ending on the 31st day of January or the 31st day of July.

(b) For the purposes of this section, any amount which, in a relevant period, is debited to a borrower's account with a lender in respect of relevant interest shall be treated as an amount received by the lender in that relevant period.

(2) A lender shall, within 30 days from the end of each relevant period, deliver to the Commissioners a statement in writing showing the amount of the relevant interest for that lender in respect of that relevant period.

(3) There shall be charged on every statement delivered in pursuance of subsection (2) a stamp duty of an amount equal to 12 per cent of the amount of the relevant interest shown in the statement.

(4) Notwithstanding subsection (3), in a case where the amount of the relevant interest received by a lender in respect of a security referred to in subsection (1) is an amount which is less than what would have been received by that lender had the security yielded simple interest at the rate of 6 per cent per annum throughout the period for which the relevant interest was payable, the stamp duty charged on the statement on the amount of the relevant interest for that security shall be an amount equal to 8 per cent of the amount received.

(5) The duty charged by subsection (3) on a statement delivered by a lender pursuant to subsection (2) shall be paid by the lender on delivery of the statement.

(6) There shall be furnished to the Commissioners by a lender such particulars as the Commissioners may

deem necessary in relation to any statement required by this section to be delivered by a lender.

(7) In the case of failure by a lender to deliver any statement required by subsection (2) within the time specified in that subsection or of failure by a lender to pay any duty chargeable on any such statement on the delivery of such statement, the lender shall be liable to pay, by means of penalty, in addition to the duty, interest on the duty at the rate of 2.5 per cent for each month or part of a month from the expiration of the relevant period to which the statement relates until the date on which the duty is paid.

(8) The delivery of any statement required by subsection (2) may be enforced by the Commissioners under section 47 of the Succession Duty Act, 1853 , in all respects as if such statement were such account as is mentioned in that section and the failure to deliver such statement were such default as is mentioned in that section.

(9) The stamp duty charged by this section shall not be allowed as a deduction for the purposes of the computation of any tax or duty under the care and management of the Commissioners payable by the lender.