

Annual payments not payable out of taxed income. ITA67 s434(1) to (5A) and (8); FA69 s33 and Sch4; FA74 s11 and Sch1 PtlI; CTA76 s151(14); FA90 s51(3); FA96 s132(1) and Sch5 Ptl par1(20) 238.—(1) In this section, “the inspector” means such inspector as the Revenue Commissioners may direct.

(2) On payment of any annuity or other annual payment (apart from yearly interest of money) charged with tax under Schedule D, or of any royalty or other sum paid in respect of the user of a patent, not payable or not wholly payable out of profits or gains brought into charge, the person by or through whom any such payment is made shall deduct out of such payment a sum representing the amount of the income tax on such payment at the standard rate of tax in force at the time of the payment.

(3) Where any such payment is made by or through any person, that person shall forthwith deliver to the Revenue Commissioners an account of the payment, or of so much of the payment as is not made out of profits or gains brought into charge, and of the income tax deducted out of the payment or out of that part of the payment, and the inspector shall assess and charge the payment of which an account is so delivered on that person.

(4) The inspector may, where any person has made default in delivering an account required by this section, or where he or she is not satisfied with the account so delivered, make an assessment according to the best of his or her judgment.

(5) The provisions of the Income Tax Acts relating to—

- (a) persons who are to be chargeable with income tax,
- (b) income tax assessments,
- (c) appeals against such assessments,
- (d) the collection and recovery of income tax,
- (e) the rehearing of appeals, and
- (f) cases to be stated for the opinion of the High Court,

shall, in so far as they are applicable, apply to the charge, assessment, collection and recovery of income tax under this section.

(6) Subsections (3) to (5) shall apply subject to sections 239 and 241 with respect to the time and manner in which certain companies resident in the State are to account for and pay income tax in respect of—

- (a) payments from which tax is deductible, and
- (b) any amount deemed to be an annual payment.

(7) Except where provided by section 1041 (1), this section shall not apply to any rents or other sums in respect of which the person entitled to them is chargeable to tax under Case V of Schedule D or would be so chargeable but for any exemption from tax.