



Building society interest to be paid without tax taken off

Introduction

Usually a building society must deduct lower rate tax from any payments of interest. But if the payment falls into a 'gross payment category' building societies must pay interest without tax taken off.

Interest falls into a gross payment category if it belongs to any of the following and this form is completed to give authority for the interest to be paid without tax taken off

- a company (this does not include a partnership)
- any other body corporate, such as a friendly society or an industrial and provident society (but not a local authority which does not need to complete this form to receive interest without tax taken off)
- a club
- an unincorporated association
- a charity
- an exempt approved retirement benefit scheme
- an approved personal pension scheme
- a unit trust scheme.

Please read these notes and if appropriate complete this form and return it to the building society. They will then pay interest without tax taken off. This does not necessarily mean that the interest is not taxable - if you do not have an Inland Revenue office and are not sure whether the institution you represent should be completing a tax return every year call your local Inland Revenue office (look in the telephone book under 'Inland Revenue').

As the building society may not acknowledge receipt of this form you may wish to take a copy for your records.

Now read 'Who can sign this form'.

Further information

You may find the following leaflets helpful

IR46 Clubs, societies and voluntary associations.

This booklet gives some general information about the tax position of clubs, societies and voluntary associations and similar bodies which are run either for the benefit of their own members, or for the wider public good.

IR2001 Trading by charities

This booklet aims to explain how the Inland Revenue treats the trading profits of charities for tax purposes. It describes the exemptions available and looks at some common trading activities of charities.

They are available from

- the Internet at www.inlandrevenue.gov.uk
- the leaflet Orderline on **0845 9000 404**
- any Inland Revenue office

Who can sign this form?

Companies, other corporate bodies, clubs and unincorporated associations - the secretary, treasurer or other officer authorised to sign by the directors or the managing body.

Charitable Trusts - a trustee or a person authorised to sign by the trustees.

Charities (which are corporate bodies or unincorporated associations) - the secretary, treasurer or other officer authorised to sign by the directors or the managing body.

Exempt approved retirement benefit schemes and approved personal pension schemes - a trustee or the administrator, or a person authorised to sign by the trustees.

Unit trust schemes - the manager of the unit trust scheme.

Address of the person signing the form

If you are signing the declaration in a professional capacity you should put your professional address. Otherwise give your home address, except in the case of a body corporate where the address of the registered office should be shown.

