



PRACTICE NOTE

PN 61/96

Date: 10 June 1996

Procedures For Granting Double Taxation Relief

These procedures were revised in [PN 67/97](#) dated 10 June 1997.

Introduction

Previously, where an individual had stated on their income tax return that they were making a repayment claim for non-resident relief to the United Kingdom, it was the practice of the Division to delay issuing that individual's assessment until such time as the repayment claim had been dealt with by the Inland Revenue.

The Division recognises that this practice has resulted in some repayments of overpaid Manx income tax being made later than would normally have been the case and has decided that, with effect from the 1996/97 assessments, there will be a modification to the method of granting double taxation relief. This modification is set out in the following procedures.

Procedures

1. Taxed U.K. income:

From 6th April 1996 Returns received which include taxed UK income will be assessed in one of two ways: -

A) No Claim Made To The Uk

Where an individual or their agent does not make a claim to the Inland Revenue, double taxation relief will be given on any U.K. taxed income provided that the relevant certificate or proof of tax paid is supplied in order to support the claim for relief.

B) Claim Made To The Uk

In cases where a claim is made, double taxation relief will automatically be given on a provisional basis in line with the computation submitted to the Inland Revenue. This will be adjusted to reflect the UK agreement once it has been received. Where no confirmation is sent in to the Division, it will be treated as though no claim had been made and certificates will be called for if not already submitted.

2. U.K. Dividend income (incorporating Unilateral Relief):

U.K. dividend income will be assessed net in all cases except where a U.K. assessment or computation shows that additional higher rate tax has been paid on any dividend income. Where a liability to U.K. tax exists, a DTA 1 Certificate will be issued.