1 Deduction of income tax at source: informant rewards paid by HMRC

(1) Part 15 of ITA 2007 (deduction of income tax at source) is amended as follows.

(2) In section 847 (overview of Part), in subsection (7)—

(a) omit the "and" after paragraph (b);

(b) after paragraph (c) insert ", and

(d) informant rewards paid by His Majesty's Revenue and Customs."

(3) After section 974 insert—

"Informant rewards paid by HMRC

974A Informant rewards paid by HMRC

(1) This section applies if the Commissioners for His Majesty's Revenue and Customs pay an informant reward to an individual.

(2) The Commissioners must, on making the payment, deduct from it a sum representing income tax on it at the additional rate in force for the tax year in which it is made.

(3) In this section "informant reward" means a reward under—

(a) the Strengthened Reward Scheme published by His Majesty's Revenue and Customs on 26 November 2025 which provides for rewards to be paid to individuals who report serious tax avoidance or evasion, or

(b) any other scheme designated for the purposes of this section in regulations made by the Treasury."

(4) In section 975(1)(a) (statements about deduction of income tax), for "919 or 928" substitute "919, 928 or 974A".