



Treasury Chambers, Parliament Street, SW1P 3AG  
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PRIME MINISTER

STRIKERS AND SUPPLEMENTARY BENEFIT

We shall be discussing in Cabinet on 20th December the minute by Keith Joseph of 28th November about Strikers and Supplementary Benefit. In your comments on that minute you raised a point about the payment of tax refunds, and it might be helpful to colleagues if I clarify the legal position.

2. An employer is required to make a tax refund if one is due, to his employee on each of the latter's ordinary pay days during a strike, that is to say at weekly or monthly intervals (depending on whether the employee is weekly or monthly paid). If the employer either cannot or prefers not to make the refund, he may relieve himself of the obligation to do so by providing the Inspector of Taxes concerned with information about the striking employee sufficient to calculate the level of refunds due. In that case the Tax Office is legally obliged to make the repayments and while in practice some delay might occur, it is not legally possible deliberately to delay payment. To change the position would require primary legislation.

3. I am copying this to all Cabinet colleagues, Norman Fowler, Michael Jopling, and Sir Robert Armstrong.

*Prime Minister*

*This is the note on tax refunds for strikers. The*

*thing is providing a further note on what is actually happening in relation to the steel strikers.*

*DL  
8/1*

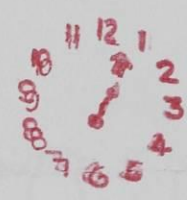
(G.H.)

18 December, 1979



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18 DEC 1979



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