

(1) This section applies if a taxpayer is liable to pay an amount of tax and -

- (a) the tax has not been paid by the taxpayer by the due date for payment; or
- (b) the Commissioner-General has reasonable grounds to believe that the taxpayer will not pay the tax by the due date for payment.

(2) If this section applies, the Commissioner-General may, by notice in writing, require any person who owes money to the taxpayer to pay the amount specified in the notice to the Commissioner-General.

(3) The amount specified in a notice under this subsection shall not exceed the amount of tax that has not been paid or the amount that the Commissioner-General believes will not be paid by the due date.

(4) A person (referred to as the "payer") owes money (referred to as the "available amount") to a taxpayer if the payer-

- (a) owes or may subsequently owe money to the taxpayer;
- (b) holds or may subsequently hold money for, or on account of, the taxpayer;
- (c) holds or may subsequently hold money on account of some other person for payment to the taxpayer; or
- (d) has authority from some other person to pay money to the taxpayer.

(5) Subject to subsection (7), a payer shall pay the amount specified in a notice under subsection (2) by the date specified in the notice.

(6) The date for payment specified in the notice shall not be a date before the date that the available amount becomes due to the taxpayer or held on the taxpayer's behalf.

(7) A payer shall not pay an amount under this section in excess of the available amount.

(8) The Commissioner-General shall, by notice in writing to the payer, revoke or amend a notice served under subsection (2) if the taxpayer has paid the whole or part of the tax due or has

made an arrangement satisfactory to the Commissioner-General for payment of the tax.

(9) A payer served with a notice under subsection (2) may apply, in writing, to the Commissioner-General for -

- (a) an amendment of the amount due under the notice; or
- (b) an extension of time for payment of the amount due under the notice.

(10) The Commissioner-General shall serve an applicant under subsection (9) with notice, in writing, of the decision on the application.

(11) A copy of a notice served on a payer under this section shall be served on the taxpayer.

(12) If a notice served under this section requires the deduction of amounts from payments of employment income, the amount to be deducted by the payer from each payment shall not exceed the lesser of -

- (a) an amount equal to one-twentieth of the amount of tax that has not been paid or the Commissioner-General believes will not be paid by the due date; or
- (b) twenty *per cent* of the amount of each payment of employment income.

(13) A payer who has paid an amount in compliance with a notice served under this section -

- (a) shall give the taxpayer notice in writing of the fact that the payment has been made; and
- (b) is treated as having paid such amount under the authority of the taxpayer and the receipt of the Commissioner-General constitutes a good and sufficient discharge of the liability of the payer to the taxpayer to the extent of the amount referred to in the receipt.

(14) The Commissioner-General shall apply an amount paid by a payer under this section in respect of a taxpayer against the amount of tax owing by the taxpayer.

(15) A payer who, without reasonable excuse, fails to comply with a notice under this section is personally liable for the