



# Tax Collection and Management (Wales) Act 2016

2016 anaw 6

PART 6

INTEREST

CHAPTER 1

INTEREST ON AMOUNTS PAYABLE TO WRA

*F1* ...

## Textual Amendments

- F1** S. 157 cross-heading omitted (25.1.2018) by virtue of [Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(anaw 1\)](#), s. 81(2)(3), [Sch. 23 para. 57](#); S.I. 2018/34, art. 2(b)(ii)

## [<sup>F2</sup>157] Late payment interest on devolved taxes

- (1) This section applies to an amount of devolved tax—
- (a) stated in a tax return as—
    - (i) the tax chargeable, or
    - (ii) if the tax return is a further return made by the buyer in a land transaction, the land transaction tax (or additional land transaction tax) payable;
  - (b) payable—
    - (i) as a result of an amendment to a tax return under section 41, 45 or 50;
    - (ii) as a result of a correction to a tax return under section 42;

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- (iii) in accordance with an assessment made in addition to a tax return under section 54 or 55, or
- (c) payable in accordance with—
- (i) a determination under section 52, or
- (ii) an assessment under section 54 or 55,
- made in place of a tax return which was required to be made.
- [<sup>F3</sup>(1A) This section also applies to an amount of landfill disposals tax charged by a charging notice issued under section 49 or 50 of LDТА.]
- (2) If the amount is not paid before the late payment interest start date, the amount carries interest (referred to in this Part as “late payment interest”) at the late payment interest rate for the period—
- (a) beginning with the late payment interest start date, and
- (b) ending with the date of payment.
- (3) The late payment interest start date is —
- (a) in the case of an amount falling within subsection (1)(a) or (b), the date after the filing date for the tax return;
- (b) in the case of an amount falling within subsection (1)(c) the date after the filing date for the tax return which was required to be made.
- [<sup>F4</sup>(c) in the case of an amount falling within subsection (1A), the date immediately after the end of the period specified in section 51 of LDТА.]
- (4) But where section 160 applies the late payment interest start date is the date specified in that section.

#### Textual Amendments

- F2** Ss. 157, 157A, 158 substituted (25.1.2018) for ss. 157, 158 by [Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(anaw 1\)](#), s. 81(2)(3), **Sch. 23 para. 58**; S.I. 2018/34, art. 2(b)(ii)
- F3** S. 157(1A) inserted (1.4.2018) by [Landfill Disposals Tax \(Wales\) Act 2017 \(anaw 3\)](#), **ss. 53(2)**, 97(2); S.I. 2018/35, art. 3
- F4** S. 157(3)(c) inserted (1.4.2018) by [Landfill Disposals Tax \(Wales\) Act 2017 \(anaw 3\)](#), **ss. 53(3)**, 97(2); S.I. 2018/35, art. 3

#### Commencement Information

- I1** S. 157 in force at 1.4.2018 by [S.I. 2018/33](#), **art. 3**

### 157A Late payment interest on penalties

- (1) This section applies to an amount of penalty [<sup>F5</sup>relating to devolved tax].
- (2) If the amount is not paid on or before the date by which it is required to be paid, the amount carries interest (referred to in this Part as “late payment interest”) at the late payment interest rate for the period—
- (a) beginning with the following day, and
- (b) ending with the date of payment.
- (3) But where section 160 applies, the late payment interest start date is the date specified in that section.

*Changes to legislation: There are currently no known outstanding effects for the Tax Collection and Management (Wales) Act 2016, PART 6. (See end of Document for details)*

#### Textual Amendments

- F2** Ss. 157, 157A, 158 substituted (25.1.2018) for ss. 157, 158 by [Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(anaw 1\)](#), s. 81(2)(3), **Sch. 23 para. 58**; S.I. 2018/34, art. 2(b)(ii)
- F5** Words in s. 157A(1) substituted (1.4.2018) by [Landfill Disposals Tax \(Wales\) Act 2017 \(anaw 3\)](#), s. 97(2), **Sch. 4 para. 15**; S.I. 2018/35, art. 3

#### Modifications etc. (not altering text)

- C1** S. 157A excluded (1.4.2018) by [The Tax Collection and Management \(Reimbursement Arrangements\) \(Wales\) Regulations 2018 \(S.I. 2018/88\)](#), regs. 1(2), **8(4)**

### [<sup>F6</sup>157B]Late payment interest on amounts payable in respect of tax credit

- (1) This section applies to an amount payable in respect of a tax credit.
- (2) If the amount is not paid on or before the date by which it is required to be paid, the amount carries interest (referred to in this Part as “late payment interest”) at the late payment interest rate for the period—
  - (a) beginning with the late payment interest start date, and
  - (b) ending with the date of payment.
- (3) Where the amount is payable as a result of a WRA assessment in a case involving a situation mentioned in section 55A(a) or (b), the late payment interest start date is—
  - (a) if the tax credit in question was claimed in a tax return, the day after the filing date for the tax return;
  - (b) if the tax credit in question was claimed by any other means, the day after that on which an amount equal to the amount was paid to a person in respect of the claim.
- (4) Where the amount is payable as a result of a WRA assessment in a case involving a situation mentioned in section 55A(c), the late payment interest start date is the day after that by which the amount was required to be paid.
- (5) But where section 160 applies, the late payment interest start date for the purposes of this section is the date specified in that section.]

#### Textual Amendments

- F2** Ss. 157, 157A, 158 substituted (25.1.2018) for ss. 157, 158 by [Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(anaw 1\)](#), s. 81(2)(3), **Sch. 23 para. 58**; S.I. 2018/34, art. 2(b)(ii)
- F6** S. 157B inserted (1.4.2018) by [The Landfill Disposals Tax \(Administration\) \(Wales\) Regulations 2018 \(S.I. 2018/101\)](#), reg. 1(2), **Sch. para. 37**

### 158 Late payment interest: supplementary

- (1) This section applies for the purposes of sections 157 [<sup>F7</sup>, 157A and 157B].
- (2) Late payment interest is not payable on late payment interest.

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- (3) A late payment interest start date may be a non-business day within the meaning of section 92 of the Bills of Exchange Act 1882 (c. 61).
- (4) The date of payment, in relation to an amount, includes the date on which the amount is set off against an amount payable by WRA.
- (5) ““Late payment interest rate”” has the meaning given by section 163(1).]

#### Textual Amendments

- F2** Ss. 157, 157A, 158 substituted (25.1.2018) for ss. 157, 158 by [Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(anaw 1\)](#), s. 81(2)(3), **Sch. 23 para. 58**; S.I. 2018/34, art. 2(b)(ii)
- F7** Words in s. 158(1) substituted (1.4.2018) by [The Landfill Disposals Tax \(Administration\) \(Wales\) Regulations 2018 \(S.I. 2018/101\)](#), reg. 1(2), **Sch. para. 38**

#### Commencement Information

- I2** S. 158 in force at 1.4.2018 by [S.I. 2018/33](#), **art. 3**

F8 ...

#### Textual Amendments

- F8** S. 159 and cross-heading omitted (25.1.2018) by virtue of [Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(anaw 1\)](#), s. 81(2)(3), **Sch. 23 para. 59**; S.I. 2018/34, art. 2(b)(ii)

### **F8 159 Late payment interest start date: amendments to assessments etc.**

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### **160 Late payment interest start date: death of taxpayer**

- (1) This section applies if—
- (a) a person <sup>F9</sup>who is—
    - (i) chargeable to an amount of devolved tax or penalty relating to devolved tax, or
    - (ii) required to pay an amount in respect of a tax credit,]
 dies before the amount becomes payable, and
  - (b) the executor or administrator is unable to pay the amount before obtaining probate or letters of administration or another document having equivalent effect under the law of a country or territory other than England and Wales in relation to the deceased person's estate.
- (2) The late payment interest start date for that amount is the later of the following—
- (a) the date which would be the late payment interest start date apart from this section, and
  - (b) the day after the end of the period of 30 days beginning with the grant of probate or letters of administration or another document having equivalent

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effect under the law of a country or territory other than England and Wales in relation to the deceased person's estate.

#### Textual Amendments

**F9** Words in s. 160(1)(a) substituted (1.4.2018) by [The Landfill Disposals Tax \(Administration\) \(Wales\) Regulations 2018 \(S.I. 2018/101\)](#), reg. 1(2), **Sch. para. 39**

#### Commencement Information

**I3** S. 160 in force at 25.1.2018 by [S.I. 2018/33](#), **art. 2(g)**

## CHAPTER 2

### INTEREST ON AMOUNTS PAYABLE BY WRA

#### *Repayment interest*

#### **161 Repayment interest on amounts payable by WRA**

- (1) This section applies to any relevant amount paid by a person to WRA that is repaid by WRA to that person or to another person.
- (2) “Relevant amount” means an amount paid in connection with any liability (including any purported or anticipated liability) to pay to WRA—
  - (a) an amount of devolved tax, <sup>F10</sup> ...
  - (b) an amount of penalty relating to devolved tax <sup>F11</sup>, or
  - (c) an amount in respect of a tax credit.]
- (3) If an amount to which this section applies is not repaid before the repayment interest start date, the amount carries interest (referred to in this Part as “repayment interest”) at the repayment interest rate for the period—
  - (a) beginning with the repayment interest start date, and
  - (b) ending with the date of repayment.
- (4) The repayment interest start date for the relevant amount is the later of—
  - (a) the day on which the relevant amount was paid to WRA, and
  - (b) the day on which the amount mentioned in subsection <sup>F12</sup>(2)(a), (b) or (c)], in connection with which the relevant amount was paid, became payable to WRA.
- (5) Subsection (3)(a) applies even if the repayment interest start date is a non-business day within the meaning of section 92 of the Bills of Exchange Act 1882 (c. 61).
- (6) In this section, “repayment interest rate” has the meaning given by section 163(2).

#### Textual Amendments

**F10** Word in s. 161(2) omitted (1.4.2018) by virtue of [The Landfill Disposals Tax \(Administration\) \(Wales\) Regulations 2018 \(S.I. 2018/101\)](#), reg. 1(2), **Sch. para. 40(2)(a)**

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- F11** S. 161(2)(c) and word inserted (1.4.2018) by [The Landfill Disposals Tax \(Administration\) \(Wales\) Regulations 2018 \(S.I. 2018/101\)](#), reg. 1(2), **Sch. para. 40(2)(b)**
- F12** Words in s. 161(4)(b) substituted (1.4.2018) by [The Landfill Disposals Tax \(Administration\) \(Wales\) Regulations 2018 \(S.I. 2018/101\)](#), reg. 1(2), **Sch. para. 40(3)**

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**Commencement Information**

- I4** S. 161 in force at 25.1.2018 by [S.I. 2018/33](#), **art. 2(g)**

**162 Repayment interest: supplementary**

- (1) Repayment interest is not payable on an amount payable in consequence of an order or judgment of a court having power to allow interest on the amount.
- (2) Repayment interest is not payable on repayment interest.
- (3) The date of repayment, in relation to an amount to which section 161 applies, includes the date on which it is set off against an amount owed to WRA.

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**Commencement Information**

- I5** S. 162 in force at 25.1.2018 by [S.I. 2018/33](#), **art. 2(g)**

**CHAPTER 3**

**RATES OF INTEREST**

**163 Rates of late payment interest and repayment interest**

- (1) The late payment interest rate is the rate provided for in regulations made by the Welsh Ministers.
- (2) The repayment interest rate is the rate provided for in regulations made by the Welsh Ministers.
- (3) Regulations under subsection (1) or (2)—
  - (a) may make different provision for different purposes;
  - (b) may either themselves specify a rate of interest or make provision for a rate to be determined (and to change from time to time) by reference to a rate or an average of rates referred to in regulations;
  - (c) may provide for rates to be reduced below, or increased above, what they would otherwise be by reference to specified amounts or specified formulae;
  - (d) may provide for rates arrived at by reference to averages to be rounded up or down;
  - (e) may provide for circumstances in which alteration of a rate of interest is or is not to take place;
  - (f) may provide that alterations of rates are to have effect for periods beginning on or after a day determined in accordance with the regulations in relation to interest running from before that day as well as from or from after that day.

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**Commencement Information**

**I6** S. 163 in force at 18.10.2017 by [S.I. 2017/954](#), [art. 2](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Tax Collection and Management (Wales) Act 2016, PART 6.