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SCHEDULES

SCHEDULE 24

PENALTIES FOR ERRORS

Modifications etc. (not altering text)

- C1 Sch. 24 applied (N.I.) (1.4.2008) by [The Education \(Student Loans\) \(Repayment\) Regulations \(Northern Ireland\) 2000 \(S.R. 2000/121\)](#), **regs. 7(2A)(b)**, 26(4) (as amended by S.R. 2008/129, **regs. 1**, 3(a), 4)
- C1 Sch. 24 applied (N.I.) (6.4.2009) by [The Education \(Student Loans\) \(Repayment\) Regulations \(Northern Ireland\) 2009 \(S.R. 2009/128\)](#), **regs. 1(1)**, 9(3)(b), 35(4), 54(8)(b)
- C1 Sch. 24 applied (E.W.) (6.4.2009) by [The Education \(Student Loans\) \(Repayment\) Regulations 2009 \(S.I. 2009/470\)](#), **regs. 1(1)**, 13(3)(b), 40(4), 59(8)(b) (with **reg. 1(4)(6)**)
- C1 Sch. 24 modified (8.4.2010) by [Finance Act 2010 \(c. 13\)](#), **Sch. 1 para. 37**
- C1 Sch. 24 applied (6.4.2008) by [The Social Security \(Contributions\) Regulations 2001 \(S.I. 2001/1004\)](#), **reg. 81(1)(1A)**, **Sch. 4 paras. 21A(8)**, 21D(9), 21F(12), 22(7), **31(8)** (as amended by S.I. 2008/636, **reg. 7**; S.I. 2010/721, **reg. 4**; S.I. 2012/821, **reg. 11**)
- C1 Sch. 24 applied (with modifications) (19.4.2013) by [The Small Charitable Donations Regulations 2013 \(S.I. 2013/938\)](#), **regs. 1**, **15**
- C1 Sch. 24 applied by 1993 c. 34, Sch. 20A para. 9A(6) (as inserted (19.12.2014) by [The Lloyd's Underwriters \(Conversion of Partnerships to Underwriting through Successor Companies\) \(Tax\) Regulations 2014 \(S.I. 2014/3133\)](#), **regs. 1**, **5(4)**)
- C1 Sch. 24 applied (with modifications) by 1992 c. 4, s. 11A(1)(3) (as inserted (with effect in accordance with Sch. 1 para. 35 of the amending Act) by [National Insurance Contributions Act 2015 \(c. 5\)](#), **Sch. 1 para. 3**)
- C1 Sch. 24 applied (with modifications) by 1992 c.7 (N.I.) s. 11A(1)(3) (as inserted (with effect in accordance with Sch. 1 para. 35 of the amending Act) by [National Insurance Contributions Act 2015 \(c. 5\)](#), **Sch. 1 para. 12**)
- C1 Sch. 24 applied (with application in accordance with **reg. 1** of the amending S.I.) by [The Education \(Postgraduate Masters Degree Loans\) Regulations 2016 \(S.I. 2016/606\)](#), **regs. 1(1)**, **24(3)**
- C1 Sch. 24 applied (with application in accordance with **reg. 1** of the amending S.I.) by [The Education \(Postgraduate Masters Degree Loans\) Regulations 2016 \(S.I. 2016/606\)](#), **regs. 1(1)**, **50(3)**
- C1 Sch. 24 applied (with application in accordance with **reg. 1** of the amending S.I.) by [The Education \(Postgraduate Masters Degree Loans\) Regulations 2016 \(S.I. 2016/606\)](#), **regs. 1(1)**, **85(4)**
- C1 Sch. 24 applied (with modifications) (1.5.2023) by [The Value Added Tax \(Margin Schemes and Removal or Export of Goods: VAT-related Payments\) Order 2023 \(S.I. 2023/68\)](#), **arts. 1(1)**, **14** (with **art. 1(2)**)
- C1 Sch. 24 applied (14.9.2023) by [The Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) \(No. 2\) Regulations 2023 \(S.I. 2023/912\)](#), **regs. 1(2)**, **40(2)** (with **reg. 1(3)**)
- C2 Sch. 24 excluded (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), **Sch. 35 para. 13(a)**

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PART 2

AMOUNT OF PENALTY

Reductions for disclosure

- 9 [F1(A1) Paragraph 10 provides for reductions in penalties—
- (a) under paragraph 1 where a person discloses an inaccuracy that involves a domestic matter,
 - (b) under paragraph 1A where a person discloses a supply of false information or withholding of information, and
 - (c) under paragraph 2 where a person discloses a failure to disclose an under-assessment.
- (A2) Paragraph 10A provides for reductions in penalties under paragraph 1 where a person discloses an inaccuracy that involves an offshore matter or an offshore transfer.
- (A3) Sub-paragraph (1) applies where a person discloses—
- (a) an inaccuracy that involves a domestic matter,
 - (b) a careless inaccuracy that involves an offshore matter,
 - (c) a supply of false information or withholding of information, or
 - (d) a failure to disclose an under-assessment.]
- (1) A person discloses [F2the matter] by—
- (a) telling HMRC about it,
 - (b) giving HMRC reasonable help in quantifying the inaccuracy [F3, the inaccuracy attributable to the [F4supply of false information] or withholding of information, or the] under-assessment, and
 - (c) allowing HMRC access to records for the purpose of ensuring that the inaccuracy [F5, the inaccuracy attributable to the [F6supply of false information] or withholding of information, or the] under-assessment is fully corrected.
- [F7(1A) Sub-paragraph (1B) applies where a person discloses—
- (a) a deliberate inaccuracy (whether concealed or not) that involves an offshore matter, or
 - (b) an inaccuracy that involves an offshore transfer.
- (1B) A person discloses the inaccuracy by—
- (a) telling HMRC about it,
 - (b) giving HMRC reasonable help in quantifying the inaccuracy,
 - (c) allowing HMRC access to records for the purpose of ensuring that the inaccuracy is fully corrected, and
 - (d) providing HMRC with additional information.
- (1C) The Treasury must make regulations setting out what is meant by “additional information” for the purposes of sub-paragraph (1B)(d).
- (1D) Regulations under sub-paragraph (1C) are to be made by statutory instrument.
- (1E) An instrument containing regulations under sub-paragraph (1C) is subject to annulment in pursuance of a resolution of the House of Commons.]

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- (2) Disclosure—
- (a) is “unprompted” if made at a time when the person making it has no reason to believe that HMRC have discovered or are about to discover the inaccuracy [^{F8}, the supply of false information or withholding of information, or the under-assessment], and
 - (b) otherwise, is “prompted”.
- (3) In relation to disclosure “quality” includes timing, nature and extent.
- [^{F9}(4) Paragraph 4A(4) to (5) applies to determine whether an inaccuracy involves an offshore matter, an offshore transfer or a domestic matter for the purposes of this paragraph.]

Textual Amendments

- F1** Sch. 24 paras. 9(A1)-(A3) substituted for Sch. 24 para. 9(A1) (with effect in accordance with reg. 2 of the commencing S.I.) by [Finance Act 2016 \(c. 24\), s. 163\(2\)](#), [Sch. 21 para. 2\(2\)](#); [S.I. 2017/259, reg. 2](#)
- F2** Words in Sch. 24 para. 9(1) substituted (with effect in accordance with reg. 2 of the commencing S.I.) by [Finance Act 2016 \(c. 24\), s. 163\(2\)](#), [Sch. 21 para. 2\(3\)](#); [S.I. 2017/259, reg. 2](#)
- F3** Words in Sch. 24 para. 9(1)(b) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 9\(3\)\(b\)](#); [S.I. 2009/571, art. 2](#)
- F4** Words in Sch. 24 para. 9(1)(b) substituted (21.7.2009) by [Finance Act 2009 \(c. 10\), Sch. 57 para. 4](#)
- F5** Words in Sch. 24 para. 9(1)(c) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 9\(3\)\(b\)](#); [S.I. 2009/571, art. 2](#)
- F6** Words in Sch. 24 para. 9(1)(c) substituted (21.7.2009) by [Finance Act 2009 \(c. 10\), Sch. 57 para. 4](#)
- F7** Sch. 24 para. 9(1A)-(1E) inserted (8.3.2017 for specified purposes and 1.4.2017 in so far as not already in force and with effect in accordance with reg. 2 of the commencing S.I.) by [Finance Act 2016 \(c. 24\), s. 163\(2\)](#), [Sch. 21 para. 2\(4\)](#); [S.I. 2017/259, regs. 2, 3](#)
- F8** Words in Sch. 24 para. 9(2)(a) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 9\(4\)](#); [S.I. 2009/571, art. 2](#)
- F9** Sch. 24 para. 9(4) inserted (with effect in accordance with reg. 2 of the commencing S.I.) by [Finance Act 2016 \(c. 24\), s. 163\(2\)](#), [Sch. 21 para. 2\(5\)](#); [S.I. 2017/259, reg. 2](#)

Modifications etc. (not altering text)

- C1** Sch. 24 para. 9 modified by 1994 c. 23, Sch. 3BA para. 34 (as inserted (with effect in accordance with Sch. 22 paras. 23, 24 of the amending Act) by [Finance Act 2014 \(c. 26\), Sch. 22 para. 1](#))

Commencement Information

- I1** Sch. 24 para. 9 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568, art. 2](#) (with [art. 3](#))

- [^{F10}10 (1) If a person who would otherwise be liable to a penalty of a percentage shown in column 1 of the Table (a “standard percentage”) has made a disclosure, HMRC must reduce the standard percentage to one that reflects the quality of the disclosure.
- (2) But the standard percentage may not be reduced to a percentage that is below the minimum shown for it—
- (a) in the case of a prompted disclosure, in column 2 of the Table, and
 - (b) in the case of an unprompted disclosure, in column 3 of the Table.

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<i>^{F11}Standard %</i>	<i>Minimum % for prompted disclosure</i>	<i>Minimum % for unprompted disclosure</i>
30%	15%	0%
70%	35%	20%
100%	50%	30%]]

Textual Amendments

- F10** Sch. 24 para. 10 substituted (6.4.2011) by [Finance Act 2010 \(c. 13\), s. 35\(2\), Sch. 10 para. 3; S.I. 2011/975, art. 2\(1\) \(with art. 3\)](#)
- F11** Sch. 24 para. 10(2) Table substituted (with effect in accordance with reg. 2 of the commencing S.I.) by [Finance Act 2016 \(c. 24\), s. 163\(2\), Sch. 21 para. 3; S.I. 2017/259, reg. 2](#)

^{F12}10A(1) If a person who would otherwise be liable to a penalty of a percentage shown in column 1 of the Table (a “standard percentage”) has made a disclosure, HMRC must reduce the standard percentage to one that reflects the quality of the disclosure.

- (2) But the standard percentage may not be reduced to a percentage that is below the minimum shown for it—
- in the case of a prompted disclosure, in column 2 of the Table, and
 - in the case of an unprompted disclosure, in column 3 of the Table.

<i>Standard %</i>	<i>Minimum % for prompted disclosure</i>	<i>Minimum % for unprompted disclosure</i>
30%	15%	0%
37.5%	18.75%	0%
45%	22.5%	0%
60%	30%	0%
70%	45%	30%
87.5%	53.75%	35%
100%	60%	40%
105%	62.5%	40%
125%	72.5%	50%
140%	80%	50%
150%	85%	55%
200%	110%	70%]]

Textual Amendments

- F12** Sch. 24 para. 10A inserted (with effect in accordance with reg. 2 of the commencing S.I.) by [Finance Act 2016 \(c. 24\), s. 163\(2\), Sch. 21 para. 4; S.I. 2017/259, reg. 2](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 993 modified by [2016 c. 24 s. 118\(2\)](#)
- Sch. 24 para. 12(5)(za) inserted by [2015 c. 11 Sch. 20 para. 6\(a\)](#)
- Sch. 24 para. 21A(A1) inserted by [2015 c. 11 Sch. 20 para. 7\(2\)](#)
- Sch. 24 para. 4A(A1)(1) substituted for Sch. 24 para. 4A(1) by [2015 c. 11 Sch. 20 para. 3\(2\)](#)
- Sch. 24 para. 28(fa)(ia) words substituted by [2024 c. 3 Sch. 1 para. 11](#)