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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 excluded (17.7.2014) by [Finance Act 2014](#) (c. 26), **Sch. 35 para. 13(a)**
- 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)**)

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## PART 4

### MISCELLANEOUS

#### *Agency*

- 18 (1) P is liable under paragraph 1(1)(a) where a document which contains a careless inaccuracy (within the meaning of paragraph 3) is given to HMRC on P's behalf.
- (2) In paragraph 2(1)(b) and (2)(a) a reference to P includes a reference to a person who acts on P's behalf in relation to tax.
- (3) Despite sub-paragraphs (1) and (2), P is not liable to a penalty [<sup>F1</sup>under paragraph 1 or 2] in respect of anything done or omitted by P's agent where P satisfies HMRC that P took reasonable care to avoid inaccuracy (in relation to paragraph 1) or unreasonable failure (in relation to paragraph 2).
- (4) In paragraph 3(1)(a) (whether in its application to a document given by P or, by virtue of sub-paragraph (1) above, in its application to a document given on P's behalf) a reference to P includes a reference to a person who acts on P's behalf in relation to tax.
- (5) In paragraph 3(2) a reference to P includes a reference to a person who acts on P's behalf in relation to tax.
- [<sup>F2</sup>(6) [<sup>F3</sup>Paragraphs 3A and 3C apply] where a document is given to HMRC on behalf of P as [<sup>F4</sup>they apply] where a document is given to HMRC by P (and in paragraph 3B(9) the reference to P includes a person acting on behalf of P).]

#### Textual Amendments

- F1** Words in Sch. 24 para. 18(3) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 15](#); [S.I. 2009/571](#), art. 2
- F2** [Sch. 24 para. 18\(6\)](#) inserted (with effect in accordance with s. 64(5)(6) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), s. [64\(3\)](#)
- F3** Words in [Sch. 24 para. 18\(6\)](#) substituted (11.7.2023) by [Finance \(No. 2\) Act 2023 \(c. 30\)](#), [Sch. 5 para. 5\(3\)\(a\)](#)
- F4** Words in [Sch. 24 para. 18\(6\)](#) substituted (11.7.2023) by [Finance \(No. 2\) Act 2023 \(c. 30\)](#), [Sch. 5 para. 5\(3\)\(b\)](#)

#### Commencement Information

- I1** Sch. 24 para. 18 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](#))

#### *Companies: officers' liability*

- 19 (1) Where a penalty under paragraph 1 is payable by a company for a deliberate inaccuracy which was attributable to an officer [<sup>F5</sup>of the company, the officer is liable to pay such portion of the penalty (which may be 100%) as HMRC] may specify by written notice to the officer.
- (2) Sub-paragraph (1) does not allow HMRC to recover more than 100% of a penalty.
- (3) In the application of sub-paragraph (1) to a body corporate [<sup>F6</sup>other than a limited liability partnership] “officer” means—

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- (a) a director (including a shadow director within the meaning of section 251 of the Companies Act 2006 (c. 46)),<sup>F7</sup> ...
  - [<sup>F8</sup>(aa) a manager, and]
  - (b) a secretary.
- [<sup>F9</sup>(3A) In the application of sub-paragraph (1) to a limited liability partnership, “officer” means a member.]
- (4) In the application of sub-paragraph (1) in any other case “officer” means—
- (a) a director,
  - (b) a manager,
  - (c) a secretary, and
  - (d) any other person managing or purporting to manage any of the company's affairs.
- [<sup>F10</sup>(5) Where HMRC have specified a portion of a penalty in a notice given to an officer under sub-paragraph (1)—
- (a) paragraph 11 applies to the specified portion as to a penalty,
  - (b) the officer must pay the specified portion before the end of the period of 30 days beginning with the day on which the notice is given,
  - (c) paragraph 13(2), (3) and (5) apply as if the notice were an assessment of a penalty,
  - (d) a further notice may be given in respect of a portion of any additional amount assessed in a supplementary assessment in respect of the penalty under paragraph 13(6),
  - (e) paragraphs 15(1) and (2), 16 and 17(1) to (3) and (6) apply as if HMRC had decided that a penalty of the amount of the specified portion is payable by the officer, and
  - (f) paragraph 21 applies as if the officer were liable to a penalty.]

[<sup>F11</sup>(6) In this paragraph “company” means any body corporate or unincorporated association, but does not include a partnership, a local authority or a local authority association.]

#### Textual Amendments

- F5** Words in Sch. 24 para. 19(1) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 16\(2\)](#); [S.I. 2009/571](#), [art. 2](#)
- F6** Words in Sch. 24 para. 19(3) inserted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 7\(2\)\(a\)](#)
- F7** Word in Sch. 24 para. 19(3)(a) omitted (21.7.2009) by virtue of [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 7\(2\)\(b\)](#)
- F8** Sch. 24 para. 19(3)(aa) inserted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 7\(2\)\(c\)](#)
- F9** Sch. 24 para. 19(3A) inserted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 7\(3\)](#)
- F10** Sch. 24 para. 19(5) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 16\(3\)](#); [S.I. 2009/571](#), [art. 2](#)
- F11** Sch. 24 para. 19(6) inserted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 7\(4\)](#)

#### Commencement Information

- I2** Sch. 24 para. 19 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](#))

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### Partnerships

- 20 (1) This paragraph applies where P is liable to a penalty under paragraph 1 for an inaccuracy in or in connection with a partnership return.
- (2) Where the inaccuracy affects the amount of tax due or payable by a partner of P, the partner is also liable to a penalty (“a partner's penalty”).
- (3) Paragraphs 4 to 13 and 19 shall apply in relation to a partner's penalty (for which purpose a reference to P shall be taken as a reference to the partner).
- (4) Potential lost revenue shall be calculated separately for the purpose of P's penalty and any partner's penalty, by reference to the proportions of any tax liability that would be borne by each partner.
- (5) Paragraph 14 shall apply jointly to P's penalty and any partner's penalties.
- (6) P may bring an appeal under paragraph 15 in respect of a partner's penalty (in addition to any appeal that P may bring in connection with the penalty for which P is liable).

#### Commencement Information

- I3** Sch. 24 para. 20 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](#))

### Double jeopardy

- 21 [<sup>F12</sup>A person is] not liable to a penalty under paragraph 1 [<sup>F13</sup>, 1A] or 2 in respect of an inaccuracy or failure in respect of which [<sup>F14</sup>the person has] been convicted of an offence.

#### Textual Amendments

- F12** Words in Sch. 24 para. 21 substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 17\(a\)](#); [S.I. 2009/571](#), [art. 2](#)
- F13** Word in Sch. 24 para. 21 inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 17\(b\)](#); [S.I. 2009/571](#), [art. 2](#)
- F14** Words in Sch. 24 para. 21 substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 17\(c\)](#); [S.I. 2009/571](#), [art. 2](#)

#### Commencement Information

- I4** Sch. 24 para. 21 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](#))

- [<sup>F15</sup>21~~(A)~~] A person is not liable to a penalty under paragraph 1 in respect of an inaccuracy if—
- (a) the inaccuracy involves a claim by the person to exercise or rely on a VAT right (in relation to a supply) that has been denied or refused by HMRC as mentioned in subsection (4) of section 69C of VATA 1994, and
- (b) the person has been assessed to a penalty under that section (and the assessment has not been successfully appealed against or withdrawn).
- (2) In sub-paragraph (1)(a) “VAT right” has the same meaning as in section 69C of VATA 1994.]

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**Textual Amendments**

**F15** [Sch. 24 para. 21ZA](#) inserted (16.11.2017) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [s. 68\(6\)](#)

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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](#)