



Finance Act 2016

CHAPTER 24

FINANCE ACT 2016

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- 2 Basic rate limit for 2017-18
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Status: This is the original version (as it was originally enacted).

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Status: This is the original version (as it was originally enacted).

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Status: This is the original version (as it was originally enacted).

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- 1 Main repeals
2 Further amendments in ITTOIA 2005
3 In the heading of Chapter 3 of Part 4, for...
4 In section 382(2) (other contents of Chapter 3 of Part...
5 Omit section 384(3) (which refers to section 398).
6 Omit section 393(5) (determining entitlement to tax credit).

- 7 In section 394 (which deems a distribution to be made)—...
- 8 In section 395(3) (interpretation of section 395(2)) omit the words...
- 9 For section 396A(2)(b) (alternative receipt treated as qualifying distribution for...
- 10 In the italic heading before section 397, omit “Tax credits...
- 11 (1) Section 399 (qualifying distribution received by person not entitled...
- 12 (1) Section 401 (relief: qualifying distribution after linked non-qualifying distribution)...
- 13 Omit section 401A (recovery of overpaid tax credit etc).
- 14 In section 401B (power to obtain information for the purposes...
- 15 Omit sections 406(4A) and 407(4A) (determining entitlement to tax credit)....
- 16 In section 408(2A) (interpretation of section 408(2)) omit the words...
- 17 In section 411(2) (stock dividends: amount on which tax charged)...
- 18 In section 416 (released debts: amount on which tax charged)—...
- 19 In section 418(3) (release of loan: tax only on grossed-up...
- 20 In section 651 (meaning of “UK estate” and “foreign estate”)—...
- 21 In section 657 (tax charged on estate income from foreign...
- 22 In section 663 (applicable rate for purposes of grossing-up under...
- 23 In section 670 (applicable rate for purposes of Step 2...
- 24 In section 680 (income of an estate that is treated...
- 25 In section 680A (estate income treated as dividend income), in...
- 26 In section 854(6) (carrying on by partner of notional business:...
- 27 Omit section 858(3) (partnerships with foreign element: entitlement to tax...
- 28 Further amendments in CTA 2010
- 29 (1) Section 279F (ring fence profits: related 51% group company)...
- 30 (1) Section 279G (ring fence profits: meaning of “augmented profits”)...
- 31 For section 463(7) (loan to trustees of settlement which has...
- 32 (1) Section 549 (distributions: supplementary) is amended as follows.
- 33 (1) Section 751 (interpretation of Part 15 (transactions in securities))...
- 34 Omit section 814D(8) (which excludes entitlement to tax credits).
- 35 Omit section 997(5) (which introduces sections 1109 to 1111).
- 36 In sections 1026(1)(b) and 1027(2)(b) (cases where amount paid up...
- 37 (1) Section 1070 (distributions by company carrying on mutual business)...
- 38 (1) Section 1071 (company not carrying on business) is amended...
- 39 (1) Section 1100 (qualifying distribution: right to request a statement)...
- 40 (1) Section 1101 (non-qualifying distributions etc: returns and information) is...
- 41 In section 1103 (regulations about information about non-qualifying distributions)—
- 42 (1) Section 1106 (interpretation of sections 1104 and 1105) is...
- 43 Omit sections 1110 and 1111 (recovery of overpaid tax credits...
- 44 (1) Section 1115 (meaning of “new consideration” in Part 23)...
- 45 In section 1119 (definitions for the purposes of the Corporation...
- 46 Omit section 1126 (meaning of “franked investment income”).
- 47 Omit section 1136 (meaning of “qualifying distribution”).
- 48 Omit section 1139(4) (“relief” includes tax credit).
- 49 In Schedule 2 (transitionals and savings etc) omit paragraph 106(1)...
- 50 In Schedule 4 (index of defined expressions) omit the entries...
- 51 Other amendments
- 52 (1) ICTA is amended as follows. (2) Omit section 231B...

Status: This is the original version (as it was originally enacted).

- 53 In FA 1988, in Schedule 13 omit paragraph 7(c) (post-consolidation...
- 54 In FA 1989— (a) omit section 115 (double taxation: tax...
- 55 In FA 1993 omit section 171(2B) (which excludes entitlement to...
- 56 In FA 1994 omit section 219(4B) (which excludes entitlement to...
- 57 (1) F(No.2)A 1997 is amended as follows.
- 58 (1) FA 1998 is amended as follows.
- 59 In the Commonwealth Development Corporation Act 1999, in Schedule 3...
- 60 In the Financial Services and Markets Act 2000 (Consequential Amendments)...
- 61 (1) ITEPA 2003 is amended as follows.
- 62 In ITTOIA 2005, in Schedule 1 (minor and consequential amendments)...
- 63 (1) ITA 2007 is amended as follows.
- 64 In FA 2008, in Schedule 12 (amendments relating to tax...
- 65 (1) CTA 2009 is amended as follows.
- 66 (1) FA 2009 is amended as follows.
- 67 In Schedule 1 to CTA 2010 (minor and consequential amendments)...
- 68 (1) TIOPA 2010 is amended as follows.
- 69 In FA 2011— (a) in Part 6 of Schedule 23...
- 70 In FA 2012, in section 169(2) (payments by certain friendly...
- 71 In FA 2013— (a) in paragraph 6(2) of Schedule 19...
- 72 In FA 2015, in section 19— (a) in subsection (1),...
- 73 Commencement

SCHEDULE 2 — Sporting testimonial payments

- 1 Income tax: sporting testimonial payments treated as earnings
- 2 Income tax: limited exemption for sporting testimonial payments
- 3 Corporation tax: deductions from total profits for sporting testimonial payments and associated payments
- 4 Application of this Schedule

SCHEDULE 3 — Employee share schemes: minor amendments

- 1 Enterprise management incentives and employee ownership trusts
- 2 Share incentive plans
- 3 Notification of plans and schemes to HMRC
- 4 (1) In Schedule 3 to ITEPA 2003 (SAYE option schemes),...
- 5 (1) In Schedule 4 to ITEPA 2003 (CSOP schemes), Part...
- 6 Price for acquisition of shares under share option
- 7 (1) In Schedule 4 to ITEPA 2003 (CSOP schemes), paragraph...
- 8 Tag-along rights
- 9 Exercise of EMI options

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- 1 The protection
- 2 The initial conditions
- 3 Protection-cessation events
- 4 Protection-cessation events: interpretation: “benefit accrual”
- 5 Protection-cessation events: interpretation: “impermissible transfer”
- 6 Protection-cessation events: interpretation: “permitted transfer”
- 7 Protection-cessation events: interpretation: “permitted circumstances”

- 8 Protection-cessation events: interpretation: relieved non-UK pension schemes
 - PART 2 — “INDIVIDUAL PROTECTION 2016”
 - 9 The protection
 - 10 Amount A (pre-6 April 2006 pensions in payment)
 - 11 Amount B (pre-6 April 2016 benefit crystallisation events)
 - 12 Amount C (uncrystallised rights at end of 5 April 2016 under registered pension schemes)
 - 13 Amount D (uncrystallised rights at end of 5 April 2016 under relieved non-UK schemes)
 - PART 3 — REFERENCE NUMBERS ETC
 - 14 Issuing of reference numbers for fixed or individual protection 2016
 - 15 Withdrawal of reference numbers
 - 16 Appeals against non-issue or withdrawal of reference numbers
 - 17 Notification of subsequent protection-cessation events
 - 18 Notification of subsequent pension debits
 - 19 Personal representatives
 - 20 Penalties for non-supply, or fraudulent etc supply, of information under paragraph 17 or 18
 - PART 4 — INFORMATION
 - 21 Preservation of records in connection with individual protection 2016
 - 22 Amendments of regulations
 - 23 In regulation 2(1) (interpretation)— (a) after the entry for “fixed...
 - 24 (1) In the table in regulation 3(1) (provision of event...
 - 25 (1) Regulation 11 (information provided to scheme administrator by member...
 - 26 After regulation 14B insert— Individual protection 2016: provision of information...
 - 27 In consequence of paragraph 24(4), in each of—
 - PART 5 — AMENDMENTS IN CONNECTION WITH PROTECTION OF PRE-6 APRIL 2006 RIGHTS
 - 28 (1) In Part 1 of Schedule 29 to FA 2004...
 - PART 6 — INTERPRETATION AND REGULATIONS
 - 29 Interpretation of Parts 1, 2 and 3
 - 30 Interpretation of Parts 3 and 4 and this Part
 - 31 Regulations
- SCHEDULE 5 — Pension flexibility
- 1 Serious ill-health lump sums
 - 2 (1) Section 636A of ITEPA 2003 (exemption for certain lump...
 - 3 (1) In consequence of the amendment made by paragraph 1(2),...
 - 4 The amendments made by paragraphs 1 to 3 have effect...
 - 5 Charity lump sum death benefits
 - 6 Dependants’ flexi-access drawdown funds
 - 7 Trivial commutation lump sum
 - 8 (1) Section 636B of ITEPA 2003 (taxation of trivial commutation,...
 - 9 The amendments made by paragraphs 7 and 8 have effect...
 - 10 Top-up of dependants’ death benefits
 - 11 Inheritance tax as respects cash alternatives to annuities for dependants etc

SCHEDULE 6 — Deduction of income tax at source

Status: This is the original version (as it was originally enacted).

- PART 1 — ABOLITION OF DUTY TO DEDUCT TAX FROM INTEREST ON CERTAIN INVESTMENTS
- 1 In Chapter 2 of Part 15 of ITA 2007 (deduction...
PART 2 — DEDUCTION OF TAX FROM YEARLY INTEREST: EXCEPTION FOR DEPOSIT-TAKERS
- 2 In section 876 of ITA 2007 (interest paid by deposit-takers),...
PART 3 — AMENDMENTS OF OR RELATING TO CHAPTER 2 OF PART 15 OF ITA 2007
- 3 Amendments of Chapter 2 of Part 15 of ITA 2007
- 4 For the Chapter heading substitute “Meaning of “relevant investment” for...
5 (1) Section 850 (overview of Chapter) is amended as follows....
6 Omit section 852 (power to disapply section 851).
7 In section 853(1) (meaning of “deposit-taker”), after “In this Chapter”...
8 In section 854(3) (meaning of “relevant investment” in section 851(1) (b)),...
9 For section 855(1) (meaning of “investment”) substitute—
10 (1) Section 856 (meaning of “relevant investment”) is amended as...
11 In section 857 (treating investments as being or not being...
12 Omit— (a) sections 858 to 861 (investments which are not...
13 In the italic heading preceding section 863, for “Other investments”...
14 In sections 863, 864, 865 and 868(4) (investments with deposit-takers...
15 Omit sections 868(3), 869 and 870(2) (investments with building societies)....
16 Omit section 871 (power to make regulations to give effect...
17 In section 872 (power to amend Chapter)—
18 Omit section 873(3) to (6) (interpretation of section 861).
19 Amendments relating to Chapter 2 of Part 15 of ITA 2007
- 20 (1) In section 564Q(1) of ITA 2007 (alternative finance return:...
21 In section 847 of ITA 2007 (overview of Part 15)—...
22 In section 946 of ITA 2007 (collection of tax deducted...
23 In Schedule 2 to ITA 2007 omit paragraphs 154 to...
24 In Schedule 4 to ITA 2007 (index of defined expressions)—...
25 In consequence of the amendments made by Part 1 of...
PART 4 — DEDUCTION OF TAX FROM UK PUBLIC REVENUE DIVIDENDS
- 26 In section 877 of ITA 2007 (duty to deduct under...
27 (1) Chapter 5 of Part 15 of ITA 2007 (deduction...
PART 5 — COMMENCEMENT
- 28 (1) The amendments made by Parts 1 and 3 of...
- SCHEDULE 7 — Loan relationships and derivative contracts
- 1 Introductory
- 2 Non-market loans
- 3 Transfer pricing
- 4 In section 693 (derivative contracts: bringing transfer-pricing adjustments into account),...
5 Exchange gains and losses
- 6 In section 448 (exchange gains and losses on debtor relationships:...
7 In section 449 (exchange gains and losses on creditor relationships:...
8 In section 451 (exception to section 449 where loan exceeds...
9 (1) Section 452 (exchange gains and losses where loan not...
10 After section 475A insert— Meaning of “matched” Meaning of “matched”...

- 11 (1) Section 694 (derivative contracts: exchange gains and losses) is...
12 Commencement

SCHEDULE 8 — Tax relief for production of orchestral concerts

PART 1 — AMENDMENT OF CTA 2009

- 1 After Part 15C of CTA 2009 insert— PART 15D Orchestra...

PART 2 — CONSEQUENTIAL AMENDMENTS

- 2 ICTA
3 FA 1998
4 In paragraph 10 (other claims and elections to be included...
5 (1) Paragraph 52 (recovery of excessive repayments etc) is amended...
6 In Part 9D (certain claims for tax relief)—
7 CAA 2001
8 FA 2007
9 CTA 2009
10 In section 1310 of CTA 2009 (orders and regulations), in...
11 In Schedule 4 to CTA 2009 (index of defined expressions),...
12 FA 2009
13 CTA 2010
14 In Part 8B of CTA 2010, after section 357UI insert—...
15 (1) Schedule 4 to CTA 2010 (index of defined expressions)...
PART 3 — COMMENCEMENT
16 Any power to make regulations conferred on the Treasury by...
17 (1) The amendments made by the following provisions of this...
18 (1) The amendments made by paragraphs 13 to 15 of...

SCHEDULE 9 — Profits from the exploitation of patents etc: consequential

- 1 CTA 2010 is amended in accordance with this Schedule.
2 In section 357B (meaning of “qualifying company”), in subsection (3)
(b)(ii),...
3 In the heading of Chapter 3 of Part 8A, after...
4 (1) Section 357C (relevant IP profits) is amended as follows...
5 In section 357CA (total gross income of a trade), in...
6 Omit sections 357CB to 357CF.
7 (1) Section 357CG (adjustments in calculating profits of trade) is...
8 In section 357CI (routine return figure), in Step 1 in...
9 Omit sections 357CJ and 357CK.
10 (1) Section 357CL (companies eligible to elect for small claims...
11 In section 357CM (small claims amount), in subsection (1), for...
12 (1) Section 357D (alternative method of calculating relevant IP
profits:...
13 (1) Section 357DA (relevant IP profits) is amended as follows...
14 (1) Section 357DC (the mandatory streaming conditions) is amended
as...
15 In section 357EB (allocation of set-off amount within a group)...
16 In section 357ED (company ceasing to carry on trade etc)...
17 In section 357FA (incorporation of qualifying items), in
subsection (2),...
18 In section 357FB (tax advantage schemes) in subsection (4)(b) for...
19 (1) Section 357G (making an election under section 357A) is...
20 (1) Section 357GA (revocation of election made under section 357A)...
21 (1) Section 357GB (application of Part 8A in relation to...
22 In section 357GC (application of Part 8A in relation to...

Status: This is the original version (as it was originally enacted).

- 23 (1) Section 357GE (other interpretation) is amended as follows.
24 In Schedule 4 (index of defined expressions)—

SCHEDULE 10 — Hybrid and other mismatches

PART 1 — MAIN PROVISIONS

- 1 In TIOPA 2010, after Part 6 insert— PART 6A Hybrid...

PART 2 — CONSEQUENTIAL AMENDMENTS

- 2 FA 1998
3 In paragraph 25(3)— (a) insert “or” at the end of...
4 In paragraph 42(4)— (a) insert “or” at the end of...
5 CTA 2009
6 CTA 2010
7 In section 938N (group mismatch schemes: priority)—
8 In section 938V (tax mismatch schemes: priority)—
9 TIOPA 2010
10 In section 1 (overview of Act), in subsection (1)—
11 In section 157 (direct participation), in subsection (1)—
12 In section 158 (indirect participation: defined by sections 159 to...
13 In section 159 (indirect participation: potential direct participant), in subsection...
14 In section 160 (indirect participation: one of several major participants),...
15 Omit Part 6 (tax arbitrage).
16 Omit Part 4 of Schedule 11 (tax arbitrage: index of...
17 After that Part of that Schedule insert— PART 4A Hybrid...
PART 3 — COMMENCEMENT
18 Chapters 3 to 5 and 7 and 8 of Part...
19 Chapter 6 of Part 6A of TIOPA 2010 (counteraction of...
20 Chapters 9 and 10 of Part 6A of TIOPA 2010...
21 Chapter 11 of Part 6A of TIOPA 2010 (imported mismatch...
22 The following provisions of this Schedule have effect in relation...
23 For the purposes of paragraph 18 and 21, where a...
24 For the purposes of paragraphs 19, 20 and 22(b), where...
25 In this Part of this Schedule “the commencement date” means...

SCHEDULE 11 — Disposals of non-UK residential property interests

- 1 TCGA 1992 is amended in accordance with this Schedule.
2 In section 14B(1) (meaning of “non-resident CGT disposal”), in paragraph...
3 Omit section 14C (which introduces Schedule B1 and is superseded...
4 In Schedule B1 (disposals of UK residential property interests), in...
5 After Schedule B1 insert— SCHEDULE BA1 Disposals of non-UK residential...

SCHEDULE 12 — Disposals of residential property interests: gains and losses

- 1 TCGA 1992 is amended in accordance with this Schedule.
2 In section 57A(3) (gains and losses on relevant high value...
3 After section 57B insert— CHAPTER 7 Computation of gains and...
4 In Schedule B1 (disposals of UK residential property interests), in...
5 After Schedule 4ZZB insert— SCHEDULE 4ZZC Disposals of residential property...

SCHEDULE 13 — Entrepreneurs’ relief: “trading company” and “trading group”

- 1 TCGA 1992 is amended as follows.
- 2 In section 169H(7) (introduction), for “Section 169S contains” substitute “Sections...
- 3 In section 169S (interpretation of Chapter), subsection (4A) is treated...
- 4 After section 169S insert— Meaning of “trading company” and “trading...
- 5 After Schedule 7 insert— SCHEDULE 7ZA Entrepreneurs’ relief: “trading company”...
- 6 (1) The amendments made by this Schedule (except paragraph 3)...

SCHEDULE 14 — Investors’ relief

- 1 (1) In the heading to Part 5 of TCGA 1992,...
- 2 In Part 5 of TCGA 1992, after section 169V insert—...
- 3 After Schedule 7ZA of TCGA 1992 (inserted by Schedule 13)...

SCHEDULE 15 — Inheritance tax: increased nil-rate band

- 1 IHTA 1984 is amended as follows.
- 2 (1) Section 8D (extra nil-rate band on death if interest...
- 3 (1) Section 8E (residence nil-rate amount: interest in home goes...
- 4 In section 8F(4) (list of other relevant sections)—
- 5 After section 8F insert— Downsizing addition: entitlement: low-value death interest...
- 6 In section 8G (meaning of “brought-forward allowance”), in subsection (3)(a),...
- 7 (1) Section 8H (meaning of “qualifying residential interest”) is amended...
- 8 After section 8H insert— Qualifying former residential interest”: interests in...
- 9 In section 8J (meaning of “inherited”), in subsection (1), for...
- 10 In section 8K (meaning of “closely inherited”), in subsection (1),...
- 11 In section 8L (claims for brought-forward allowance)—
- 12 (1) Section 8M (residence nil-rate amount: cases involving conditional exemption)...

SCHEDULE 16 — Property authorised investment funds and co-ownership authorised contractual schemes

PART 1 — CO-OWNERSHIP AUTHORISED CONTRACTUAL SCHEMES

- 1 In FA 2003, after section 102 insert— Co-ownership authorised contractual...

PART 2 — SEEDING RELIEF FOR PROPERTY AUTHORISED INVESTMENT FUNDS AND CO-OWNERSHIP AUTHORISED CONTRACTUAL SCHEMES

- 2 FA 2003 is amended in accordance with this Part.
- 3 After section 65 insert— PAIF seeding relief and COACS seeding...
- 4 After Schedule 7 insert— SCHEDULE 7A Paif seeding relief and...

PART 3 — CONSEQUENTIAL AMENDMENTS

- 5 FA 2003 is amended in accordance with this Part.
- 6 In section 75C (anti-avoidance: supplemental), in subsection (4), after “Schedule...
- 7 (1) Section 81 (further return where relief withdrawn) is amended...
- 8 In section 86 (payment of tax), in subsection (2)—
- 9 (1) Section 87 (interest on unpaid tax) is amended as...
- 10 In section 118 (market value)— (a) the existing text becomes...

Status: This is the original version (as it was originally enacted).

- 11 In section 122 (index of defined expressions), at the appropriate...
- 12 In Schedule 4A (SDLT: higher rate for certain transactions), in...
- 13 In Schedule 6B (transfers involving multiple dwellings), in paragraph 2(4)(b),...
- 14 (1) In Schedule 17A (further provisions relating to leases), paragraph...
PART 4 — COMMENCEMENT
- 15 (1) The amendments made by Parts 2 and 3 of...

SCHEDULE 17 — Aqua methanol etc

PART 1 — AQUA METHANOL

- 1 Introductory
- 2 Definition
- 3 In section 2A (power to amend definitions), in subsection (1),...
- 4 Charging of excise duty
- 5 In section 6A (fuel substitutes), in subsection (1)—
- 6 Mixing of aqua methanol
- 7 Enforcement
- 8 Consequential amendments
- 9 In section 27(1) (interpretation), before the definition of “aviation gasoline”...
- 10 In section 16 of FA 1994 (appeals to a tribunal),...
- 11 In paragraph 3 of Schedule 41 to FA 2008 (penalties...
PART 2 — HYDROCARBON OILS: MISCELLANEOUS AMENDMENTS
- 12 HODA 1979
- 13 FA 1994
PART 3 — COMMENCEMENT
- 14 The amendments made by this Schedule come into force—

SCHEDULE 18 — Serial tax avoidance

PART 1 — CONTENTS OF SCHEDULE

- 1 In this Schedule— (a) Part 2 provides for HMRC to...
PART 2 — ENTRY INTO THE REGIME AND BASIC CONCEPTS
- 2 Duty to give warning notice
- 3 Warning period
- 4 Meaning of “tax”
- 5 Meaning of “tax advantage” in relation to VAT
- 6 Meaning of “non-deductible tax”
- 7 “Tax advantage”: other taxes
- 8 “DOTAS arrangements”
- 9 “Disclosable VAT arrangements”
- 10 Paragraphs 8 and 9: “failure to comply”
- 11 “Relevant defeat”
- 12 Condition A
- 13 Condition B
- 14 Condition C
- 15 Condition D
- 16 Condition E
PART 3 — ANNUAL INFORMATION NOTICES AND NAMING
- 17 Annual information notices
- 18 Naming
PART 4 — RESTRICTION OF RELIEFS
- 19 Duty to give a restriction relief notice
- 20 Restriction of relief

21	The restricted period
22	Reasonable excuse
23	Mitigation of restriction of relief
24	Appeal
25	Meaning of “avoidance-related rule”
26	Meaning of “relief”
27	“Claim” for relief
28	VAT
29	Power to amend
	PART 5 — PENALTY
30	Penalty
31	Simultaneous defeats etc
32	Value of the counteracted advantage: basic rule for taxes other than VAT
33	Value of counteracted advantage: losses for purposes of direct tax
34	Value of counteracted advantage: deferred tax
35	Meaning of “the counteracted advantage” in paragraphs 33 and 34
36	Value of the counteracted advantage: Conditions D and E
37	Value of counteracted advantage: delayed VAT
38	Assessment of penalty
39	Alteration of assessment of penalty
40	Aggregate penalties
41	Appeal against penalty
42	Penalties: reasonable excuse
43	Paragraph 42: meaning of “the relevant failure”
44	Mitigation of penalties
	PART 6 — CORPORATE GROUPS, ASSOCIATED PERSONS AND PARTNERSHIPS
45	Representative member of a VAT group
46	Corporate groups
47	Associated persons treated as incurring relevant defeats
48	Meaning of “associated”
49	Partners treated as incurring relevant defeats
50	Partnership returns to which this paragraph applies
51	Partnerships: information
52	Partnerships: special provision about taxpayer emendations
53	Supplementary provision relating to partnerships
	PART 7 — SUPPLEMENTAL
54	Meaning of “adjustments”
55	Time of “use” of defeated arrangements
56	Inheritance tax
57	National insurance contributions
58	General interpretation
59	Consequential amendments
60	In section 212 of FA 2014 (follower notices: aggregate penalties),...
61	(1) The Social Security Contributions and Benefits Act 1992 is...
62	In the Social Security Contributions and Benefits (Northern Ireland) Act...
63	Commencement
64	(1) A relevant defeat is to be disregarded for the...
65	(1) A warning notice given to a person is to...
	 SCHEDULE 19 — Large businesses: tax strategies and sanctions
	PART 1 — INTERPRETATION
1	Purpose of Part 1

- 2 “Relevant body”
3 “UK company”
4 “UK permanent establishment”
5 “Qualifying company”
6 “Group” and related expressions
7 (1) “MNE Group” has the same meaning (subject to sub-paragraph...
8 (1) A “group other than an MNE group” means a...
9 A group is headed by whichever relevant body within the...
10 “Qualifying group”
11 “UK sub-group” and “head” (in relation to a UK sub-group)
12 “UK partnership”, “qualifying partnership” and “representative partner”
13 “Financial year”
14 “Turnover” and “balance sheet total”
15 “UK taxation”
- PART 2 — PUBLICATION OF TAX STRATEGIES
- 16 Qualifying UK groups: duty to publish a group tax strategy
17 Content of group tax strategy
18 Penalty for non-compliance with paragraph 16
19 UK sub-groups: duty to publish a sub-group tax strategy
20 Content of a sub-group tax strategy
21 Penalty for non-compliance with requirements of paragraph 19
22 Qualifying companies: duty to publish a company tax strategy
23 Content of a company tax strategy
24 Penalty for non-compliance with paragraph 22
25 Qualifying partnerships: duty to publish a partnership tax strategy
26 Penalties under this Part: general provisions
27 Failure to comply with a time limit
28 Reasonable excuse
29 Assessment of penalties
30 Appeal
31 Enforcement
32 Power to change amount of penalties
33 Application of provisions of TMA 1970
34 Meaning of “tax strategy”
- PART 3 — SANCTIONS FOR PERSISTENTLY UNCO-OPERATIVE LARGE
BUSINESSES
- 35 Large groups falling within Part 3
36 (1) A UK group has “engaged in unco-operative behaviour” if—...
37 (1) A member of a UK group has, or two...
38 (1) A member of a UK group has “satisfied the...
39 (1) There is a significant tax issue in respect of...
40 The references in paragraphs 36 to 39 to things done...
41 Warning notices
42 Special measures notices
43 (1) A special measures notice— (a) may be withdrawn by...
44 (1) This paragraph applies to a UK group if—
45 (1) This paragraph applies in relation to a UK group...
46 Circumstances in which warning and special measures notices are
treated as having been given
47 Sanctions: liability for penalties for errors in documents given to HMRC
48 In Schedule 24 to FA 2007 (penalties for errors), at...
49 Sanctions: Commissioners publishing information
50 Application of Part 3 to large UK sub-groups

- 51 Application of Part 3 to large companies
 - 52 Application of Part 3 to large partnerships
 - 53 Meaning of “designated HMRC officer”
 - PART 4 — SUPPLEMENTARY
 - 54 Amendment of power under section 122 of FA 2015
 - 55 Regulations
- SCHEDULE 20 — Penalties for enablers of offshore tax evasion or non-compliance
- PART 1 — LIABILITY FOR PENALTY
 - 1 Liability for penalty
 - 2 Meaning of “involving offshore activity” and related expressions
 - 3 Amount of penalty
 - 4 Potential lost revenue: enabling Q to commit relevant offence
 - 5 Potential lost revenue: enabling Q to engage in conduct incurring relevant civil penalty
 - 6 Treatment of potential lost revenue attributable to both offshore tax evasion or non-compliance and other tax evasion or non-compliance
 - 7 Reduction of penalty for disclosure etc by P
 - 8 (1) This paragraph applies for the purposes of paragraph 7....
 - 9 (1) If they think it right because of special circumstances,...
 - 10 Procedure for assessing penalty, etc
 - 11 An assessment of a person as liable to a penalty...
 - 12 Appeals
 - 13 (1) An appeal under paragraph 12 is to be treated...
 - 14 (1) On an appeal under paragraph 12(a) that is notified...
 - 15 Double jeopardy
 - 16 Application of provisions of TMA 1970
 - 17 Interpretation of Part 1
 - PART 2 — APPLICATION OF SCHEDULE 36 TO FA 2008: INFORMATION POWERS
 - 18 General application of information and inspection powers to suspected enablers
 - 19 General modifications
 - 20 Specific modifications
 - 21 In the application of Schedule 36 to FA 2008 for...
 - PART 3 — PUBLISHING DETAILS OF PERSONS FOUND LIABLE TO PENALTIES
 - 22 Naming etc of persons assessed to penalty or penalties under paragraph 1
 - 23 (1) The Treasury may by regulations amend paragraph 22(1) to...
- SCHEDULE 21 — Penalties relating to offshore matters and offshore transfers
- 1 Amendments to Schedule 24 to the Finance Act 2007 (c. 11)
 - 2 (1) Paragraph 9 (reductions for disclosure) is amended as follows....
 - 3 In paragraph 10 (amount of reduction for disclosure), for the...
 - 4 After paragraph 10 insert— (1) If a person who would otherwise be liable to...
 - 5 Amendments to Schedule 41 to the Finance Act 2008 (c. 9)
 - 6 (1) Paragraph 12 (reductions for disclosure) is amended as follows....
 - 7 In paragraph 13 (amount of reduction for disclosure), for the...
 - 8 After paragraph 13 insert— (1) If a person who would otherwise be liable to...
 - 9 Amendments to Schedule 55 to the Finance Act 2009 (c.10)
 - 10 (1) Paragraph 14 (reductions for disclosure) is amended as follows....

Status: This is the original version (as it was originally enacted).

- 11 In paragraph 15 (amount of reduction for disclosure), for the...
- 12 After paragraph 15 insert— (1) If a person who would otherwise be liable to...

SCHEDULE 22 — Asset-based penalty for offshore inaccuracies and failures

PART 1 — LIABILITY FOR PENALTY

- 1 Circumstances in which asset-based penalty is payable
- 2 Meaning of standard offshore tax penalty
- 3 Tax year to which standard offshore tax penalty relates
- 4 Potential lost revenue threshold
- 5 Offshore PLR
- 6 Restriction on imposition of multiple asset-based penalties in relation to the same asset

PART 2 — AMOUNT OF PENALTY

- 7 Standard amount of asset-based penalty
- 8 Reductions for disclosure and co-operation
- 9 Special reduction

PART 3 — IDENTIFICATION AND VALUATION OF ASSETS

- 10 Introduction
- 11 Capital gains tax
- 12 Inheritance tax
- 13 Asset-based income tax
- 14 Jointly held assets

PART 4 — PROCEDURE

- 15 Assessment
- 16 Appeal
- 17 (1) An appeal is to be treated in the same...
- 18 (1) On an appeal under paragraph 16(1), the tribunal may...

PART 5 — GENERAL

- 19 Interpretation
- 20 Consequential amendments etc
- 21 Section 97A of TMA 1970 (two or more tax-gearred penalties...

SCHEDULE 23 — Simple assessments

- 1 TMA 1970 is amended in accordance with paragraphs 2 to...
- 2 In section 7 (notice of liability to income tax and...
- 3 After section 28G (determination of amount notionally chargeable where no...
- 4 In section 31 (appeals: right to appeal), before subsection (4)...
- 5 (1) Section 31A (appeals: notice of appeal) is amended as...
- 6 After section 31A (notice of appeal) insert— Taxpayer's right to...
- 7 (1) Section 59B (payment of income tax and capital gains...
- 8 After section 59B insert— Payment of income tax and capital...
- 9 (1) Schedule 56 to FA 2009 (penalty for failure to...

SCHEDULE 24 — Tax advantages constituting the grant of state aid

PART 1 — TAX ADVANTAGES TO WHICH SECTION 180(2) APPLIES

Enhanced capital allowances

Creative tax reliefs

Research and development reliefs

PART 2 — TAX ADVANTAGES TO WHICH SECTION 180(5) APPLIES

SCHEDULE 25 — Office of Tax Simplification

- 1 Membership
- 2 Term of office
- 3 Appointment of initial members
- 4 Termination of appointments
- 5 (1) The Chancellor of the Exchequer may terminate the appointment...
- 6 Remuneration
- 7 Provision of staff and facilities etc.
- 8 Validity of proceedings
- 9 The validity of anything done by the OTS is not...
- 10 Supplementary powers
- 11 Finance
- 12 Disqualification
- 13 In Part 2 of Schedule 1 to the Northern Ireland...
- 14 Freedom of information
- 15 Public sector equality duty