



Revenue Scotland and Tax Powers Act 2014

2014 asp 16

PART 8

PENALTIES

CHAPTER 3

PENALTIES RELATING TO INACCURACIES

Penalties under Chapter 3: general

188 Potential lost revenue: multiple errors

- (1) Where P is liable to a penalty under section 182 in respect of more than one inaccuracy, and the calculation of potential lost revenue under section 187 in respect of each inaccuracy depends on the order in which they are corrected, careless inaccuracies are to be taken to be corrected before deliberate inaccuracies.
- (2) In calculating potential lost revenue where P is liable to a penalty under section 182 in respect of one or more understatements in one or more documents relating to a tax period, account is to be taken of any overstatement in any document given by P which relates to the same tax period.
- (3) In subsection (2)—
 - (a) “understatement” means an inaccuracy that meets condition A in section 182, and
 - (b) “overstatement” means an inaccuracy that does not meet that condition.
- (4) For the purpose of subsection (2) overstatements are to be set against understatements in the following order—
 - (a) understatements in respect of which P is not liable to a penalty,
 - (b) careless understatements,
 - (c) deliberate understatements.

Status: This is the original version (as it was originally enacted).

- (5) In calculating for the purposes of a penalty under section 182 potential lost revenue in respect of a document given by or on behalf of P, no account is to be taken of the fact that a potential loss of revenue from P is or may be balanced by a potential overpayment by another person (except to the extent that an enactment requires or permits a person's tax liability to be adjusted by reference to P's).