



Taxes Management Act 1970

1970 CHAPTER 9

PART X

PENALTIES, ETC.

[^{F1}98A Special penalties in the case of certain returns.

- (1) [^{F2}PAYE regulations or regulations under] [^{F3}section 70(1)(a) or 71 of the Finance Act 2004 (sub-contractors)] may provide that this section shall apply in relation to any specified provision of the regulations.
- (2) Where this section applies in relation to a provision of regulations, any person who fails to make a return in accordance with the provision shall be liable—
 - (a) to a penalty or penalties of the relevant monthly amount for each month (or part of a month) during which the failure continues, but excluding any month after the twelfth or for which a penalty under this paragraph has already been imposed, and
 - (b) if the failure continues beyond twelve months, without prejudice to any penalty under paragraph (a) above, to a penalty not exceeding
[in the case of a provision of PAYE regulations,] so much of the amount
^{F4}(i) payable by him in accordance with the regulations for the year of assessment to which the return relates as remained unpaid at the end of 19th April after the end of that year [^{F5}, or
(ii) in the case of a provision of regulations under section 70(1)(a) or 71 of the Finance Act 2004, £3,000.]
- (3) For the purposes of subsection (2)(a) above, the relevant monthly amount in the case of a failure to make a return—
 - (a) where the number of persons in respect of whom particulars should be included in the return is fifty or less, is £100, and
 - (b) where the number is greater than fifty, is £100 for each fifty such persons and an additional £100 where that number is not a multiple of fifty.

Status: Point in time view as at 01/04/2006. This version of this provision has been superseded.

Changes to legislation: Taxes Management Act 1970, Section 98A is up to date with all changes known to be in force on or before 02 October 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (4) Where this section applies in relation to a provision of regulations, any person who fraudulently or negligently makes an incorrect return of a kind mentioned in the provision shall be liable to a penalty not exceeding the difference between—
- (a) the amount payable by him in accordance with the regulations for the year of assessment [^{F6}(in the case of a provision of PAYE regulations) or period (in the case of a provision of regulations under section 70(1)(a) or 71 of the Finance Act 2004)] to which the return relates, and
 - (b) the amount which would have been so payable if the return had been correct.]

Textual Amendments

- F1** S. 98A inserted by [Finance Act 1989 \(c. 26\), s. 165\(1\)](#) (with s. 165(2); S.I. 1994/2508, art. 2)
- F2** Words in s. 98A(1) substituted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 138](#) (with Sch. 7)
- F3** Words in s. 98A(1) substituted (with effect in accordance with s. 77 of the amending Act) by [Finance Act 2004 \(c. 12\), Sch. 12 para. 8\(2\)](#)
- F4** Words in s. 98A(2)(b) inserted (with effect in accordance with s. 77 of the amending Act) by [Finance Act 2004 \(c. 12\), Sch. 12 para. 8\(3\)\(a\)](#)
- F5** S. 98A(2)(b)(ii) and preceding word inserted (with effect in accordance with s. 77 of the amending Act) by [Finance Act 2004 \(c. 12\), Sch. 12 para. 8\(3\)\(b\)](#)
- F6** Words in s. 98A(4)(a) inserted (with effect in accordance with s. 77 of the amending Act) by [Finance Act 2004 \(c. 12\), Sch. 12 para. 8\(4\)](#)

Modifications etc. (not altering text)

- C1** S. 98A power to apply conferred (E.W.S.) (1.7.1992) by [Social Security Contributions and Benefits Act 1992 \(c. 4\)](#), ss. 1(4), 177(4), Sch. 1 para. 7 (as amended (4.3.1999 for specified purposes, 6.4.1999 in so far as not already in force) by [Social Security Contributions \(Transfer of Functions, etc.\) Act 1999 \(c. 2\)](#), s. 28(3), [Sch. 7 para. 10](#); S.I. 1999/527, art. 2(a)(c), Schs. 1, 3 (with art. 3-6))
- C2** S. 98A power to apply conferred (N.I.) (1.7.1992) by [Social Security Contributions and Benefits \(Northern Ireland\) Act 1992 \(c. 7\)](#), ss. 1(4), 173(4), [Sch. 1](#), para. 7(2)(9)-(12)
- C3** S. 98A applied (6.4.1993) by [The Income Tax \(Employments\) Regulations 1993 \(S.I. 1993/744\)](#), [reg. 104\(16\)](#) (revoked (6.4.2004) by S.I. 2003/2682, Sch. 2)
- C4** S. 98A applied (with modifications) (6.4.2001) by [The Social Security \(Contributions\) Regulations 2001 \(S.I. 2001/1004\)](#), [reg. 1\(1\)](#), [Sch. 4 paras. 22\(7\), 31\(9\)](#)
- C5** S. 98A applied (6.4.2004) by [The Income Tax \(Pay As You Earn\) Regulations 2003 \(S.I. 2003/2682\)](#), [regs. 1, 73\(10\)](#)
- C6** S. 98A applied (6.4.2004) by [The Income Tax \(Pay As You Earn\) Regulations 2003 \(S.I. 2003/2682\)](#), [regs. 1, 146\(5\)](#)

Status:

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