

Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1994, Paragraph 11. (See end of Document for details)

SCHEDULES

[^{F1}SCHEDULE 11A

DISCLOSURE OF AVOIDANCE SCHEMES

Textual Amendments

- F1** Sch. 11A inserted (22.7.2004 for specified purposes, 1.8.2004 in so far as not already in force) by [Finance Act 2004 \(c. 12\), s. 19\(2\), Sch. 2 para. 2](#); S.I. 2004/1934, art. 2

Modifications etc. (not altering text)

- C1** Sch. 11A modified (16.11.2017 for specified purposes, 1.1.2018 in so far as not already in force) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 66\(2\)\(4\)](#)

Amount of penalty

- 11 (1) Where the failure mentioned in paragraph 10(1) relates to a notifiable scheme that is not a designated scheme, the amount of the penalty is £5,000.
- (2) Where the failure mentioned in paragraph 10(1) relates to a designated scheme, the amount of the penalty is 15 per cent. of the VAT saving (as determined under subparagraph (3)).
- (3) For this purpose the VAT saving is—
- (a) to the extent that the case falls within paragraph 6(1)(a), the aggregate of—
 - (i) the amount by which the amount of VAT that would, but for the scheme, have been shown in returns in respect of the relevant periods as payable by the taxable person exceeds the amount of VAT that was shown in those returns as payable by him, and
 - (ii) the amount by which the amount of VAT that was shown in such returns as payable to the taxable person exceeds the amount of VAT that would, but for the scheme, have been shown in those returns as payable to him,^{F2}...
 - (b) to the extent that the case falls within paragraph 6(1)(b), the amount by which the amount claimed exceeds the amount which the taxable person would, but for the scheme, have claimed^{F3}, and
 - (c) to the extent that—
 - (i) the case falls within paragraph 6(1)(c), and
 - (ii) the excess of the notional non-deductible tax of the taxable person for the relevant periods over his non-deductible tax for those periods is not represented by a corresponding amount which by virtue of paragraph (a) or (b) is part of the VAT saving,the amount of the excess.]

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- (4) In sub-paragraph (3)(a) [^{F4} and (c)] “the relevant periods” means the prescribed accounting periods beginning with that in respect of which the duty to comply with paragraph 6 first arose and ending with the earlier of the following—
- (a) the prescribed accounting period in which the taxable person complied with that paragraph, and
 - (b) the prescribed accounting period immediately preceding the notification by the Commissioners of the penalty assessment.

[In sub-paragraph (3)(c), “notional non-deductible tax”, in relation to a taxable person, ^{F5}(5) means the amount that would, but for the scheme, have been the amount of his non-deductible tax.]]

Textual Amendments

- F2** Word in Sch. 11A para. 11(3)(a) repealed (1.8.2005) by Finance (No. 2) Act 2005 (c. 22), s. 6(2), Sch. 1 para. 7(2)(a), **Sch. 11 Pt. 1**; S.I. 2005/2010, art. 2 (with art. 4)
- F3** Sch. 11A para. 11(3)(c) and word inserted (1.8.2005) by Finance (No. 2) Act 2005 (c. 22), s. 6(2), **Sch. 1 para. 7(2)(b)**; S.I. 2005/2010, art. 2 (with art. 4)
- F4** Words in Sch. 11A para. 11(4) inserted (1.8.2005) by Finance (No. 2) Act 2005 (c. 22), s. 6(2), **Sch. 1 para. 7(3)**; S.I. 2005/2010, art. 2 (with art. 4)
- F5** Sch. 11A para. 11(5) inserted (1.8.2005) by Finance (No. 2) Act 2005 (c. 22), s. 6(2), **Sch. 1 para. 7(4)**; S.I. 2005/2010, art. 2 (with art. 4)

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