

SCHEDULES

SCHEDULE 10

AGGREGATES LEVY: ASSESSMENT OF CIVIL PENALTIES AND INTEREST ON THEM

Penalty interest on unpaid penalties

- 5 (1) Subject to sub-paragraph (2) below, where the Commissioners make an assessment under paragraph 2 above of any civil penalty to which a person is liable the amount of that penalty shall carry penalty interest for the period which—
- (a) begins with the day on which the assessment is notified to the person on whom the assessment is made; and
 - (b) ends with the day before the day on which the assessed penalty is paid.
- (2) Where—
- (a) the Commissioners make an assessment under paragraph 2 above of an amount of any civil penalty to which any person is liable,
 - (b) they also specify a date for the purposes of this sub-paragraph, and
 - (c) the amount of the penalty assessed is paid on or before that date,
- the amount paid before that date shall not carry penalty interest under this paragraph.
- (3) Penalty interest under this paragraph shall be compound interest calculated—
- (a) at the penalty rate; and
 - (b) with monthly rests.
- (4) For this purpose the penalty rate is the rate found by—
- (a) taking the rate applicable under section 197 of the Finance Act 1996 (c. 8) for the purposes of paragraph 8(3)(a) of Schedule 5 to this Act; and
 - (b) adding 10 percentage points to that rate.
- (5) Where a person is liable under this paragraph to pay any penalty interest, the Commissioners or, on appeal, an appeal tribunal may reduce the amount payable to such amount (including nil) as they think proper.
- (6) Subject to sub-paragraph (7) below, where the person concerned satisfies the Commissioners or, on appeal, an appeal tribunal that there is a reasonable excuse for the conduct giving rise to the liability to pay penalty interest, that is a matter which (among other things) may be taken into account under sub-paragraph (5) above.
- (7) In determining whether there is a reasonable excuse for the purposes of sub-paragraph (6) above, no account shall be taken of any of the following matters, that is to say—
- (a) the insufficiency of the funds available to any person for paying any aggregates levy or penalty due or for paying the amount of the interest;
 - (b) the fact that there has, in the case in question or in that case taken with any other cases, been no or no significant loss of aggregates levy;

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- (c) the fact that the person liable to pay the interest or a person acting on his behalf has acted in good faith.
- (8) In the case of interest reduced by the Commissioners under sub-paragraph (5) above, an appeal tribunal, on an appeal relating to the interest, may cancel the whole or any part of the reduction made by the Commissioners.