



Proceeds of Crime Act 2002

2002 CHAPTER 29

PART 6

REVENUE FUNCTIONS

General functions

317 Director's general Revenue functions

- (1) For the purposes of this section the qualifying condition is that the Director has reasonable grounds to suspect that—
 - (a) income arising or a gain accruing to a person in respect of a chargeable period is chargeable to income tax or is a chargeable gain (as the case may be) and arises or accrues as a result of the person's or another's criminal conduct (whether wholly or partly and whether directly or indirectly), or
 - (b) a company is chargeable to corporation tax on its profits arising in respect of a chargeable period and the profits arise as a result of the company's or another person's criminal conduct (whether wholly or partly and whether directly or indirectly).
- (2) If the qualifying condition is satisfied the Director may serve on the Commissioners of Inland Revenue (the Board) a notice which—
 - (a) specifies the person or the company (as the case may be) and the period, and
 - (b) states that the Director intends to carry out, in relation to the person or the company (as the case may be) and in respect of the period, such of the general Revenue functions as are specified in the notice.
- (3) Service of a notice under subsection (2) vests in the Director, in relation to the person or the company (as the case may be) and in respect of the period, such of the general Revenue functions as are specified in the notice; but this is subject to section 318.
- (4) The Director—
 - (a) may at any time serve on the Board a notice of withdrawal of the notice under subsection (2);

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- (b) must serve such a notice of withdrawal on the Board if the qualifying condition ceases to be satisfied.
- (5) A notice under subsection (2) and a notice of withdrawal under subsection (4) may be in respect of one or more periods.
- (6) Service of a notice under subsection (4) divests the Director of the functions concerned in relation to the person or the company (as the case may be) and in respect of the period or periods specified in the notice.
- (7) The vesting of a function in the Director under this section does not divest the Board or an officer of the Board of the function.
- (8) If—
 - (a) apart from this section the Board’s authorisation would be required for the exercise of a function, and
 - (b) the function is vested in the Director under this section,
 the authorisation is not required in relation to the function as so vested.
- (9) It is immaterial whether a chargeable period or any part of it falls before or after the passing of this Act.

Commencement Information

- II [S. 317](#) in force at 24.2.2003 by [S.I. 2003/120](#), [art. 2](#), [Sch.](#) (with [arts. 3, 4](#)) (as amended (20.2.2003) by [S.I. 2003/333](#), [art. 14](#))

318 Revenue functions regarding employment

- (1) Subsection (2) applies if—
 - (a) the Director serves a notice or notices under section 317(2) in relation to a company and in respect of a period or periods, and
 - (b) the company is an employer.
- (2) The general Revenue functions vested in the Director do not include functions relating to any requirement which—
 - (a) is imposed on the company in its capacity as employer, and
 - (b) relates to a year of assessment which does not fall wholly within the period or periods.
- (3) Subsection (4) applies if—
 - (a) the Director serves a notice or notices under section 317(2) in relation to an individual and in respect of a year or years of assessment, and
 - (b) the individual is a self-employed earner.
- (4) The general Revenue functions vested in the Director do not include functions relating to any liability to pay Class 2 contributions in respect of a period which does not fall wholly within the year or years of assessment.
- (5) In this section in its application to Great Britain—
 - (a) “self-employed earner” has the meaning given by section 2(1)(b) of the Social Security Contributions and Benefits Act 1992 (c. 4);

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- (b) “Class 2 contributions” must be construed in accordance with section 1(2)(c) of that Act.
- (6) In this section in its application to Northern Ireland—
 - (a) “self-employed earner” has the meaning given by section 2(1)(b) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7);
 - (b) “Class 2 contributions” must be construed in accordance with section 1(2)(c) of that Act.

Commencement Information

I2 S. 318 in force at 24.2.2003 by S.I. 2003/120, art. 2, Sch. (with arts. 3, 4) (as amended (20.2.2003) by S.I. 2003/333, art. 14)

319 Source of income

- (1) For the purpose of the exercise by the Director of any function vested in him by virtue of this Part it is immaterial that he cannot identify a source for any income.
- (2) An assessment made by the Director under section 29 of the Taxes Management Act 1970 (c. 9) (assessment where loss of tax discovered) in respect of income charged to tax under Case 6 of Schedule D must not be reduced or quashed only because it does not specify (to any extent) the source of the income.
- (3) If the Director serves on the Board a notice of withdrawal under section 317(4), any assessment made by him under section 29 of the Taxes Management Act 1970 is invalid to the extent that it does not specify a source for the income.
- (4) Subsections (2) and (3) apply in respect of years of assessment whenever occurring.

Commencement Information

I3 S. 319 in force at 24.2.2003 by S.I. 2003/120, art. 2, Sch. (with arts. 3, 4) (as amended (20.2.2003) by S.I. 2003/333, art. 14)

320 Appeals

- (1) An appeal in respect of the exercise by the Director of general Revenue functions shall be to the Special Commissioners.
- (2) The Presiding Special Commissioner may nominate one or more assessors to assist the Special Commissioners in any appeal to be heard by them in respect of the exercise by the Director of any of his Revenue functions.
- (3) An assessor nominated under subsection (2)—
 - (a) must have special knowledge and experience of the matter to which the appeal relates, and
 - (b) must be selected from a panel of persons appointed for the purposes of this section by the Lord Chancellor after consultation with the Scottish Ministers.

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- (4) Regulations made under section 56B of the Taxes Management Act 1970 may include provision as to the manner in which an assessor nominated under subsection (2) is to assist the Special Commissioners.
- (5) The remuneration of an assessor nominated under subsection (2) must be paid by the Lord Chancellor and must be at such rate as he decides.

Commencement Information

I4 S. 320 in force at 24.2.2003 by S.I. 2003/120, art. 2, Sch. (with arts. 3, 4) (as amended (20.2.2003) by S.I. 2003/333, art. 14)

Status:

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