



# Proceeds of Crime Act 2002

## 2002 CHAPTER 29

### PART 6

#### REVENUE FUNCTIONS

##### *General functions*

#### **317** [F<sup>1</sup>SOCA's ] general Revenue functions

- (1) For the purposes of this section the qualifying condition is that [F<sup>2</sup>SOCA] 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 [F<sup>3</sup>SOCA] 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 [F<sup>3</sup>SOCA] 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 [F<sup>4</sup>SOCA] , 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) [F<sup>5</sup>SOCA] —
  - (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 [<sup>F6</sup>SOCA] 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 [<sup>F7</sup>SOCA] 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 [<sup>F8</sup>SOCA] 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.

#### Textual Amendments

- F1** Word in s. 317 heading substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 93\(2\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F2** Word in s. 317(1) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 93\(3\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F3** Word in s. 317(2) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 93\(4\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F4** Word in s. 317(3) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 93\(5\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F5** Word in s. 317(4) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 93\(6\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F6** Word in s. 317(6) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 93\(7\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F7** Word in s. 317(7) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 93\(8\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F8** Word in s. 317(8)(b) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 93\(9\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)

#### Commencement Information

- I1** 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) [<sup>F9</sup>SOCA] 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.

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- (2) The general Revenue functions vested in [F<sup>10</sup>SOCA] 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) [F<sup>11</sup>SOCA] 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 [F<sup>12</sup>SOCA] 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);
  - (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.

#### Textual Amendments

- F9** Word in s. 318(1)(a) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\)](#), s. 94(1), [Sch. 8 para. 94\(2\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F10** Word in s. 318(2) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\)](#), s. 94(1), [Sch. 8 para. 94\(3\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F11** Word in s. 318(3)(a) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\)](#), s. 94(1), [Sch. 8 para. 94\(4\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F12** Word in s. 318(4) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\)](#), s. 94(1), [Sch. 8 para. 94\(5\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)

#### 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 [F<sup>13</sup>SOCA] of any function vested in [F<sup>14</sup> it ] by virtue of this Part it is immaterial that [F<sup>15</sup>SOCA] cannot identify a source for any income.
- (2) An assessment made by [F<sup>16</sup>SOCA] 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 [F<sup>17</sup>Chapter 8 of Part 5 of the Income Tax (Trading and Other Income)

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Act 2005] must not be reduced or quashed only because it does not specify (to any extent) the source of the income.

(3) If [<sup>F18</sup>SOCA] serves on the Board a notice of withdrawal under section 317(4), any assessment made by [<sup>F19</sup>SOCA] 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.

#### Textual Amendments

- F13** Word in s. 319(1) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 95\(2\)\(a\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F14** Word in s. 319(1) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 95\(2\)\(b\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F15** Word in s. 319(1) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 95\(2\)\(c\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F16** Word in s. 319(2) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 95\(3\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F17** Words in s. 319(2) substituted (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 582](#) (with Sch. 2)
- F18** Word in s. 319(3) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 95\(4\)\(a\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)
- F19** Word in s. 319(3) substituted (1.4.2008) by [Serious Crime Act 2007 \(c. 27\), s. 94\(1\), Sch. 8 para. 95\(4\)\(b\)](#); S.I. 2008/755, art. 2(1)(a) (with arts. 3-14)

#### 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](#))

## <sup>F20</sup>320 Appeals

#### Textual Amendments

- F20** S. 320 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\), art. 1\(2\), Sch. 1 para. 333](#)

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