

Status: Point in time view as at 12/02/2015.

Changes to legislation: Finance Act 2007, Cross Heading: Potential lost revenue: multiple errors is up to date with all changes known to be in force on or before 15 July 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)

SCHEDULES

SCHEDULE 24

PENALTIES FOR ERRORS

Modifications etc. (not altering text)

- C1 Sch. 24 applied (N.I.) (1.4.2008) by [The Education \(Student Loans\) \(Repayment\) Regulations \(Northern Ireland\) 2000 \(S.R. 2000/121\)](#), **regs. 7(2A)(b)**, 26(4) (as amended by S.R. 2008/129, **regs. 1**, 3(a), 4)
- C1 Sch. 24 applied (N.I.) (6.4.2009) by [The Education \(Student Loans\) \(Repayment\) Regulations \(Northern Ireland\) 2009 \(S.R. 2009/128\)](#), **regs. 1(1)**, 9(3)(b), 35(4), 54(8)(b)
- C1 Sch. 24 applied (E.W.) (6.4.2009) by [The Education \(Student Loans\) \(Repayment\) Regulations 2009 \(S.I. 2009/470\)](#), **regs. 1(1)**, 13(3)(b), 40(4), 59(8)(b) (with **reg. 1(4)(6)**)
- C1 Sch. 24 modified (8.4.2010) by [Finance Act 2010 \(c. 13\)](#), **Sch. 1 para. 37**
- C1 Sch. 24 applied (6.4.2008) by [The Social Security \(Contributions\) Regulations 2001 \(S.I. 2001/1004\)](#), **reg. 81(1)(1A)**, **Sch. 4 paras. 21A(8)**, 21D(9), 21F(12), 22(7), **31(8)** (as amended by S.I. 2008/636, **reg. 7**; S.I. 2010/721, **reg. 4**; S.I. 2012/821, **reg. 11**)
- C1 Sch. 24 applied (with modifications) (19.4.2013) by [The Small Charitable Donations Regulations 2013 \(S.I. 2013/938\)](#), **regs. 1**, **15**
- C1 Sch. 24 excluded (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), **Sch. 35 para. 13(a)**
- C1 Sch. 24 applied by 1993 c. 34, Sch. 20A para. 9A(6) (as inserted (19.12.2014) by [The Lloyd's Underwriters \(Conversion of Partnerships to Underwriting through Successor Companies\) \(Tax\) Regulations 2014 \(S.I. 2014/3133\)](#), **regs. 1**, **5(4)**)
- C1 Sch. 24 applied (with modifications) by 1992 c. 4, s. 11A(1)(3) (as inserted (with effect in accordance with Sch. 1 para. 35 of the amending Act) by [National Insurance Contributions Act 2015 \(c. 5\)](#), **Sch. 1 para. 3**)
- C1 Sch. 24 applied (with modifications) by 1992 c.7 (N.I.) s. 11A(1)(3) (as inserted (with effect in accordance with Sch. 1 para. 35 of the amending Act) by [National Insurance Contributions Act 2015 \(c. 5\)](#), **Sch. 1 para. 12**)

PART 2

AMOUNT OF PENALTY

Potential lost revenue: multiple errors

- 6 (1) Where P is liable to a penalty [^{F1}under paragraph 1] in respect of more than one inaccuracy, and the calculation of potential lost revenue under paragraph 5 in respect of each inaccuracy depends on the order in which they are corrected—
- (a) careless inaccuracies shall be taken to be corrected before deliberate inaccuracies, and
 - (b) deliberate but not concealed inaccuracies shall be taken to be corrected before deliberate and concealed inaccuracies.

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- (2) In calculating potential lost revenue where P is liable to a penalty [^{F2}under paragraph 1] in respect of one or more understatements in one or more documents relating to a tax period, account shall be taken of any overstatement in any document given by P which relates to the same tax period.
- (3) In sub-paragraph (2)—
- (a) “understatement” means an inaccuracy that satisfies Condition 1 of paragraph 1, and
 - (b) “overstatement” means an inaccuracy that does not satisfy that condition.
- (4) For the purposes of sub-paragraph (2) overstatements shall be set against understatements in the following order—
- (a) understatements in respect of which P is not liable to a penalty,
 - (b) careless understatements,
 - (c) deliberate but not concealed understatements, and
 - (d) deliberate and concealed understatements.
- (5) In calculating [^{F3}for the purposes of a penalty under paragraph 1] potential lost revenue in respect of a document given by or on behalf of P no account shall be taken of the fact that a potential loss of revenue from P is or may be balanced by a potential over-payment by another person (except to the extent that an enactment requires or permits a person's tax liability to be adjusted by reference to P's).

Textual Amendments

- F1** Words in Sch. 24 para. 6(1) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 8\(2\)](#); [S.I. 2009/571](#), art. 2
- F2** Words in Sch. 24 para. 6(2) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 8\(2\)](#); [S.I. 2009/571](#), art. 2
- F3** Words in Sch. 24 para. 6(5) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 8\(3\)](#); [S.I. 2009/571](#), art. 2

Commencement Information

- I1** Sch. 24 para. 6 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

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