



# Finance Act 2007

## 2007 CHAPTER 11

### PART 7

#### MISCELLANEOUS

##### *Other miscellaneous measures*

#### **107 Limitation period in old actions for mistake of law relating to direct tax**

- (1) Section 32(1)(c) of the Limitation Act 1980 (c. 58) (extended period for bringing action in case of mistake) does not apply in relation to any action brought before 8th September 2003 for relief from the consequences of a mistake of law relating to a taxation matter under the care and management of the Commissioners of Inland Revenue.
- (2) Subsection (1) has effect regardless of how the grounds on which the action was brought were expressed and of whether it was also brought otherwise than for such relief.
- (3) But subsection (1) does not have effect in relation to an action, or so much of an action as relates to a cause of action, if—
  - (a) the action, or cause of action, has been the subject of a judgment of the House of Lords given before 6th December 2006 as to the application of section 32(1)(c) in relation to such relief, or
  - (b) the parties to the action are, in accordance with a group litigation order, bound in relation to the action, or cause of action, by a judgment of the House of Lords in another action given before that date as to the application of section 32(1)(c) in relation to such relief.
- (4) If the judgment of any court was given on or after 6th December 2006 but before the day on which this Act is passed, the judgment is to be taken to have been what it would have been had subsections (1) to (3) been in force at all times since the action was brought (and any defence of limitation which would have been available had been raised).

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(5) And any payment made to satisfy a liability under the judgment which (in consequence of subsection (4)) is to be taken not to have been imposed is repayable (with interest from the date of the payment).

[<sup>F1</sup>(5A) Subsection (1) also does not have effect in relation to an action, or so much of an action as relates to a cause of action, if the consequences of a mistake of law to which the action, or cause of action, relates is the charging of tax contrary to EU law.]

(6) In this section—

“group litigation order” means an order of a court providing for the case management of actions which give rise to common or related issues of fact or law, and

“judgment” includes order (and “given” includes made).

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#### **Textual Amendments**

**F1** [S. 107\(5A\)](#) inserted (with effect in accordance with s. 299(2) of the amending Act) by [Finance Act 2014 \(c. 26\)](#), [s. 299\(1\)](#)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 993 modified by [2016 c. 24 s. 118\(2\)](#)
- Sch. 24 para. 12(5)(za) inserted by [2015 c. 11 Sch. 20 para. 6\(a\)](#)
- Sch. 24 para. 21A(A1) inserted by [2015 c. 11 Sch. 20 para. 7\(2\)](#)
- Sch. 24 para. 4A(A1)(1) substituted for Sch. 24 para. 4A(1) by [2015 c. 11 Sch. 20 para. 3\(2\)](#)
- Sch. 24 para. 28(fa)(ia) words substituted by [2024 c. 3 Sch. 1 para. 11](#)