

**Changes to legislation:** Finance Act 2009, Cross Heading: Amount of penalty: CIS returns is up to date with all changes known to be in force on or before 29 June 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) View outstanding changes

## SCHEDULES

### SCHEDULE 55

#### PENALTY FOR FAILURE TO MAKE RETURNS ETC

##### Modifications etc. (not altering text)

- C1 Sch. 55 applied (with modifications) by S.I. 2001/1004, **Sch. 4 para. 21G** (as inserted (with effect in accordance with reg. 1(3) of the amending S.I.) by **The Social Security (Contributions) (Amendment No. 4) Regulations 2014** (S.I. 2014/2397), regs. 1(1), **3(5)**)
- C1 Sch. 55 modified (8.4.2010) by **Finance Act 2010** (c. 13), **Sch. 1 para. 38**
- C1 Sch. 55 applied (14.9.2023) by **The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) (No. 2) Regulations 2023** (S.I. 2023/912), regs. 1(2), **42(3)** (with reg. 1(3))
- C1 Sch. 55 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**)
- C1 Sch. 55 applied (with modifications) (with application in accordance with reg. 1 of the amending S.I.) by **The Education (Postgraduate Masters Degree Loans) Regulations 2016** (S.I. 2016/606), regs. 1(1), **50(1)(2)**
- C1 Sch. 55 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. 55 applied by S.I. 2009/470, **reg. 40(1)(2)** (as substituted (6.4.2011) by **The Education (Student Loans) (Repayment) (Amendment) Regulations 2011** (S.I. 2011/784), regs. 1(1), **9** (with reg. 12(2)))
- C1 Sch. 55 modified (temp.) (with effect in accordance with Sch. 10 para. 43 of the amending Act) by **Finance Act 2022** (c. 3), **Sch. 10 para. 26** (as amended (5.1.2023) by S.I. 2022/1321, regs. 1, **2(2)**)
- C1 Sch. 55 applied by S.R. 2009/128, **reg. 35** (as substituted (6.4.2011) by **The Education (Student Loans) (Repayment) (Amendment) Regulations (Northern Ireland) 2011** (S.R. 2011/137), regs. 1(1), **8(a)** (with reg. 12))

##### *Amount of penalty: CIS returns*

- 7 Paragraphs 8 to 13 apply in the case of a return falling within item 6 in the Table.

##### Commencement Information

- I1 Sch. 55 para. 7 in force at 1.4.2011 for specified purposes and 6.4.2011 for specified purposes by S.I. 2011/702, **art. 2** (with **art. 1(2)**)
- I2 Sch. 55 para. 7 in force at 6.10.2011 in so far as not already in force by S.I. 2011/2391, **art. 2(b)** (with **art. 3(1)(2)**)
- I3 Sch. 55 para. 7 in force at 6.4.2018 for specified purposes by S.I. 2018/468, **art. 2(b)**
- I4 Sch. 55 para. 7 in force at 12.2.2019 for specified purposes by 2019 c. 1, **Sch. 2 para. 29(3)**
- I5 Sch. 55 para. 7 in force at 1.4.2022 for specified purposes by S.I. 2021/1409, **reg. 2(b)**

- 8 P is liable to a penalty under this paragraph of £100.

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#### Commencement Information

- I6** Sch. 55 para. 8 in force at 1.4.2011 for specified purposes and 6.4.2011 for specified purposes by [S.I. 2011/702, art. 2](#) (with [art. 1\(2\)](#))
- I7** Sch. 55 para. 8 in force at 6.10.2011 in so far as not already in force by [S.I. 2011/2391, art. 2\(b\)](#) (with [art. 3\(1\)\(2\)](#))
- I8** Sch. 55 para. 8 in force at 6.4.2018 for specified purposes by [S.I. 2018/468, art. 2\(b\)](#)
- I9** Sch. 55 para. 8 in force at 12.2.2019 for specified purposes by [2019 c. 1, Sch. 2 para. 29\(3\)](#)
- I10** [Sch. 55 para. 8](#) in force at 1.4.2022 for specified purposes by [S.I. 2021/1409, reg. 2\(b\)](#)

- 9 (1) P is liable to a penalty under this paragraph if (and only if) P's failure continues after the end of the period of 2 months beginning with the penalty date.
- (2) The penalty under this paragraph is £200.

#### Commencement Information

- I11** Sch. 55 para. 9 in force at 1.4.2011 for specified purposes and 6.4.2011 for specified purposes by [S.I. 2011/702, art. 2](#) (with [art. 1\(2\)](#))
- I12** Sch. 55 para. 9 in force at 6.10.2011 in so far as not already in force by [S.I. 2011/2391, art. 2\(b\)](#) (with [art. 3\(1\)\(2\)](#))
- I13** Sch. 55 para. 9 in force at 6.4.2018 for specified purposes by [S.I. 2018/468, art. 2\(b\)](#)
- I14** Sch. 55 para. 9 in force at 12.2.2019 for specified purposes by [2019 c. 1, Sch. 2 para. 29\(3\)](#)
- I15** [Sch. 55 para. 9](#) in force at 1.4.2022 for specified purposes by [S.I. 2021/1409, reg. 2\(b\)](#)

- 10 (1) P is liable to a penalty under this paragraph if (and only if) P's failure continues after the end of the period of 6 months beginning with the penalty date.
- (2) The penalty under this paragraph is the greater of—
- (a) 5% of any liability to make payments which would have been shown in the return in question, and
  - (b) £300.

#### Commencement Information

- I16** Sch. 55 para. 10 in force at 1.4.2011 for specified purposes and 6.4.2011 for specified purposes by [S.I. 2011/702, art. 2](#) (with [art. 1\(2\)](#))
- I17** Sch. 55 para. 10 in force at 6.10.2011 in so far as not already in force by [S.I. 2011/2391, art. 2\(b\)](#) (with [art. 3\(1\)\(2\)](#))
- I18** Sch. 55 para. 10 in force at 6.4.2018 for specified purposes by [S.I. 2018/468, art. 2\(b\)](#)
- I19** Sch. 55 para. 10 in force at 12.2.2019 for specified purposes by [2019 c. 1, Sch. 2 para. 29\(3\)](#)
- I20** [Sch. 55 para. 10](#) in force at 1.4.2022 for specified purposes by [S.I. 2021/1409, reg. 2\(b\)](#)

- 11 (1) P is liable to a penalty under this paragraph if (and only if) P's failure continues after the end of the period of 12 months beginning with the penalty date.
- (2) Where, by failing to make the return, P [<sup>F1</sup>deliberately] withholds information which would enable or assist HMRC to assess the amount that P is liable to pay to HMRC in accordance with Chapter 3 of Part 3 of FA 2004, the penalty under this paragraph is determined in accordance with sub-paragraphs (3) and (4).

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- (3) If the withholding of the information is deliberate and concealed, the penalty is the greater of—
- (a) 100% of any liability to make payments which would have been shown in the return in question, and
  - (b) £3,000.
- (4) If the withholding of the information is deliberate but not concealed, the penalty is the greater of—
- (a) 70% of any liability to make payments which would have been shown in the return in question, and
  - (b) £1,500.
- (5) In [<sup>F2</sup>any other case][<sup>F2</sup>any case not falling within sub-paragraph (2)], the penalty under this paragraph is the greater of—
- (a) 5% of any liability to make payments which would have been shown in the return in question, and
  - (b) £300.

#### Textual Amendments

- F1** Word in Sch. 55 para. 11(2) inserted (6.10.2011 for specified purposes, 12.2.2019 for specified purposes) by Finance (No. 3) Act 2010 (c. 33), s. 26(2), **Sch. 10 para. 5(2)**; S.I. 2011/2391, art. 2(a) (with art. 3); 2019 c. 1, s. 67(2)
- F2** Words in Sch. 55 para. 11(5) substituted (6.10.2011 for specified purposes, 12.2.2019 for specified purposes) by Finance (No. 3) Act 2010 (c. 33), s. 26(2), **Sch. 10 para. 5(3)**; S.I. 2011/2391, art. 2(a) (with art. 3); 2019 c. 1, s. 67(2)

#### Commencement Information

- I21** Sch. 55 para. 11 in force at 1.4.2011 for specified purposes and 6.4.2011 for specified purposes by S.I. 2011/702, **art. 2** (with art. 1(2))
- I22** Sch. 55 para. 11 in force at 6.10.2011 in so far as not already in force by S.I. 2011/2391, **art. 2(b)** (with art. 3(1)(2))
- I23** Sch. 55 para. 11 in force at 6.4.2018 for specified purposes by S.I. 2018/468, **art. 2(b)**
- I24** Sch. 55 para. 11 in force at 12.2.2019 for specified purposes by 2019 c. 1, **Sch. 2 para. 29(3)**

- 12 (1) P is liable to a penalty under this paragraph if (and only if)—
- (a) P's failure continues after the end of the period of 12 months beginning with the penalty date, and
  - (b) the information required in the return relates only to persons registered for gross payment (within the meaning of Chapter 3 of Part 3 of FA 2004).
- (2) Where, by failing to make the return, P [<sup>F3</sup>deliberately] withholds information which relates to such persons, the penalty under this paragraph is—
- (a) if the withholding of the information is deliberate and concealed, £3,000, and
  - (b) if the withholding of the information is deliberate but not concealed, £1,500.

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### Textual Amendments

- F3** Word in Sch. 55 para. 12(2) inserted (6.10.2011 for specified purposes, 12.2.2019 for specified purposes) by Finance (No. 3) Act 2010 (c. 33), s. 26(2), **Sch. 10 para. 6(2)**; S.I. 2011/2391, art. 2(a) (with art. 3); 2019 c. 1, s. 67(2)

### Commencement Information

- I25** Sch. 55 para. 12 in force at 1.4.2011 for specified purposes and 6.4.2011 for specified purposes by S.I. 2011/702, **art. 2** (with art. 1(2))
- I26** Sch. 55 para. 12 in force at 6.10.2011 in so far as not already in force by S.I. 2011/2391, **art. 2(b)** (with art. 3(1)(2))
- I27** Sch. 55 para. 12 in force at 1.1.2015 for specified purposes by S.I. 2014/3269, **art. 2**
- I28** Sch. 55 para. 12 in force at 6.4.2018 for specified purposes by S.I. 2018/468, **art. 2(b)**
- I29** Sch. 55 para. 12 in force at 12.2.2019 for specified purposes by 2019 c. 1, **Sch. 2 para. 29(3)**
- I30** **Sch. 55 para. 12** in force at 1.4.2022 for specified purposes by S.I. 2021/1409, **reg. 2(b)**

- 13 (1) This paragraph applies—
- (a) at any time before P first makes a return falling within item 6 in the Table, to any return falling within that item, and
  - (b) at any time after P first makes a return falling within that item, to that return and any earlier return.
- (2) In respect of any return or returns to which this paragraph applies—
- (a) paragraphs 10(2)(b) and 11(5)(b) do not apply, and
  - (b) P is not liable to penalties under paragraphs 8 and 9 which exceed, in total, £3,000.
- (3) In sub-paragraph (1)(b) “earlier return” means any return falling within item 6 which has a filing date earlier than the date on which P first made a return.

### Commencement Information

- I31** Sch. 55 para. 13 in force at 1.4.2011 for specified purposes and 6.4.2011 for specified purposes by S.I. 2011/702, **art. 2** (with art. 1(2))
- I32** Sch. 55 para. 13 in force at 6.10.2011 in so far as not already in force by S.I. 2011/2391, **art. 2(b)** (with art. 3(1)(2))
- I33** Sch. 55 para. 13 in force at 1.1.2015 for specified purposes by S.I. 2014/3269, **art. 2**
- I34** Sch. 55 para. 13 in force at 6.4.2018 for specified purposes by S.I. 2018/468, **art. 2(b)**
- I35** Sch. 55 para. 13 in force at 12.2.2019 for specified purposes by 2019 c. 1, **Sch. 2 para. 29(3)**
- I36** **Sch. 55 para. 13** in force at 1.4.2022 for specified purposes by S.I. 2021/1409, **reg. 2(b)**

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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. 102(4)(za) inserted by [2010 c. 33 Sch. 9 para. 3\(3\)](#)
- Sch. 53 para. 2A-2D and cross-heading inserted by [2010 c. 33 Sch. 9 para. 7](#)
- Sch. 53 para. 6A and cross-heading inserted by [2010 c. 33 Sch. 9 para. 8](#)
- Sch. 53 para. 11A11B and cross-heading inserted by [2010 c. 33 Sch. 9 para. 17](#)
- Sch. 53 para. 14A and cross-heading inserted by [2010 c. 33 Sch. 9 para. 18](#)
- Sch. 54 para. 9B9C and cross-heading inserted by [2010 c. 33 Sch. 9 para. 11](#) (Sch. 54 para. 9B is amended before it comes into force by [2016 c. 24, Sch. 1 para. 66\(5\)](#))
- Sch. 54 para. 12A12B and cross-heading inserted by [2010 c. 33 Sch. 9 para. 19](#)
- Sch. 54 Pt. A1 inserted by [2010 c. 33 Sch. 9 para. 10](#) (Sch. 9 para. 10 is amended before it comes into force by [2017 c. 32, Sch. 4 para. 182](#))
- Sch. 54A para. 2(e)-(g) omitted by [2024 c. 3 Sch. 2 para. 13](#)
- Sch. 55 para. 6(3A)(za) inserted by [2015 c. 11 Sch. 20 para. 15\(2\)\(a\)](#)
- Sch. 55 para. 6(4A)(za) inserted by [2015 c. 11 Sch. 20 para. 15\(3\)\(a\)](#)
- Sch. 55 para. 17(4)(ba) inserted by [2015 c. 11 Sch. 20 para. 19](#)