



Finance Act 2014

2014 CHAPTER 26

PART 4

FOLLOWER NOTICES AND ACCELERATED PAYMENTS

CHAPTER 3

ACCELERATED PAYMENT

Withdrawal etc of accelerated payment notice

227 Withdrawal, modification or suspension of accelerated payment notice

- (1) In this section a “Condition C requirement” means one of the requirements set out in Condition C in section 219.
- (2) Where an accelerated payment notice has been given, HMRC may, at any time, by notice given to P—
 - (a) withdraw the notice,
 - (b) where the notice is given by virtue of more than one Condition C requirement being met, withdraw it to the extent it is given by virtue of one of those requirements (leaving the notice effective to the extent that it was also given by virtue of any other Condition C requirement and has not been withdrawn),
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...
 - (c) reduce the amount specified in the accelerated payment notice under section 220(2)(b) or 221(2)(b)^{FI2}, or
 - (d) reduce the amount specified in the accelerated payment notice under section 220(2)(d) or 221(2)(d).]
- (3) Where—
 - (a) an accelerated payment notice is given by virtue of the Condition C requirement in section 219(4)(a), and

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(b) the follower notice to which it relates is withdrawn,

HMRC must withdraw the accelerated payment notice to the extent it was given by virtue of that requirement.

(4) Where—

(a) an accelerated payment notice is given by virtue of the Condition C requirement in section 219(4)(a), and

(b) the follower notice to which it relates is amended under section 216(7)(b) (cases where there is a new relevant final judicial ruling following a late appeal),

HMRC may by notice given to P make consequential amendments (whether under subsection (2)(c) [^{F3} or (d)] or otherwise) to the accelerated payment notice.

[^{F4}(5) Where an accelerated payment notice is given by virtue of the Condition C requirement in section 219(4)(b), and—

(a) under section 311(8) or 311B(8) of FA 2004, HMRC withdraw the reference number allocated to the chosen arrangements, or to proposed arrangements implemented by the chosen arrangements, or

(b) HMRC give notice under section 312(6) or 312ZA(4) of FA 2004, with the result that persons are no longer under the duty in section 312(2) or (as the case may be) section 312ZA(2) of that Act in relation to the chosen arrangements,

HMRC must withdraw the accelerated payment notice, to the extent that it was given by virtue of the Condition C requirement.]

(6) Subsection (7) applies where—

(a) an accelerated payment notice is withdrawn to the extent that it was given by virtue of a Condition C requirement,

(b) that requirement is the one stated in the notice for the purposes of section 220(6) or 221(5) (calculation of amount of the accelerated payment or of the denied advantage [^{F5} etc]), and

(c) the notice remains effective to the extent that it was also given by virtue of any other Condition C requirement.

(7) HMRC must, by notice given to P—

(a) modify the accelerated payment notice so as to state the remaining, or one of the remaining, Condition C requirements for the purposes of section 220(6) or 221(5), ^{F6} ...

(b) if the amount of the accelerated payment or (as the case may be) the amount of the disputed tax determined on the basis of the substituted Condition C requirement is less than the amount specified in the notice, amend that notice under subsection (2)(c) to substitute the lower amount [^{F7}, and

(c) if the amount of the asserted surrenderable amount is less than the amount specified in the notice, amend the notice under subsection (2)(d) to substitute the lower amount.]

[^{F8}(7A) Where—

(a) an accelerated payment notice is given, and

(b) a [^{F9}section 12AA] partnership return (as defined in Schedule 32) to which the notice relates is amended under section 12ABZB(7)(b) of TMA 1970 (amendment following tribunal determination),

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HMRC may by notice given to P make consequential amendments to the accelerated payment notice.]

- (8) If a follower notice is suspended under section 216 (appeals against final rulings made out of time) for any period, an accelerated payment notice in respect of the follower notice is also suspended for that period.
- (9) Accordingly, the period during which the accelerated payment notice is suspended does not count towards the periods mentioned in the following provisions—
- (a) section 223;
 - (b) section 55(8D) of TMA 1970;
 - (c) paragraph 39(11) of Schedule 10 to FA 2003;
 - (d) paragraph 48(8C) of Schedule 33 to FA 2013.
- (10) But the accelerated payment notice is not suspended under subsection (8) if it was also given by virtue of section 219(4)(b) or (c) and has not, to that extent, been withdrawn.
- (11) In a case within subsection (10), subsections (6) and (7) apply as they would apply were the notice withdrawn to the extent that it was given by virtue of section 219(4)(a), except that any change made to the notice under subsection (7) has effect during the period of suspension only.
- (12) Where an accelerated payment notice is withdrawn, it is to be treated as never having had effect (and any accelerated payment made in accordance with, or penalties paid by virtue of, the notice are to be repaid).
- [^{F10}(12A) Where, as a result of an accelerated payment notice specifying an amount under section 220(2)(d) or 221(2)(d), a notice of consent by P to a claim for group relief in respect of the amount specified (or part of it) became ineffective by virtue of section 225A(3), nothing in subsection (12) operates to revive that notice.]
- (13) If, as a result of a modification made under subsection (2)(c) [^{F11}or an amendment made under subsection (7A)], more than the resulting amount of the accelerated payment has already been paid by P, the excess must be repaid.
- [^{F12}(13A) If, as a result of an amendment made under subsection (7A), an amount payable to HMRC under section 223(2) is increased, the amount of that increase must be paid before—
- (a) the end of the period of 30 days beginning with the day on which notice of the amendment is given, or
 - (b) if later, the end the payment period (within the meaning given by section 223(5)).]

[^{F13}(14) If the accelerated payment notice is amended under subsection (2)(d) or withdrawn—

 - (a) section 225A(2) and (3) (which prevents consent being given to group relief claims) cease to apply in relation to the released amount, and
 - (b) a claim for group relief may be made in respect of any part of the released amount within the period of 30 days after the day on which the notice is amended or withdrawn.

(15) The time limits otherwise applicable to amendment of a company tax return do not apply to the extent that it makes a claim for group relief within the time allowed by subsection (14).

(16) “The released amount” means—

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- (a) in a case where the accelerated payment notice is amended under subsection (2)(d), the amount represented by the reduction, and
- (b) in a case where the accelerated payment notice is withdrawn, the amount specified under section 220(2)(d) or 221(2)(d).]

Textual Amendments

- F1** Word in s. 227(2) omitted (26.3.2015) by virtue of [Finance Act 2015 \(c. 11\)](#), **Sch. 18 para. 8(2)**
- F2** S. 227(2)(d) and preceding word inserted (26.3.2015) by [Finance Act 2015 \(c. 11\)](#), **Sch. 18 para. 8(2)**
- F3** Words in s. 227(4) inserted (26.3.2015) by [Finance Act 2015 \(c. 11\)](#), **Sch. 18 para. 8(3)**
- F4** [S. 227\(5\)](#) substituted (with application in accordance with Sch. 31 paras. 45, 46 of the amending Act) by [Finance Act 2021 \(c. 26\)](#), **Sch. 31 paras. 43(3), 44**
- F5** Word in s. 227(6)(b) inserted (26.3.2015) by [Finance Act 2015 \(c. 11\)](#), **Sch. 18 para. 8(4)**
- F6** Word in s. 227(7) omitted (26.3.2015) by virtue of [Finance Act 2015 \(c. 11\)](#), **Sch. 18 para. 8(5)**
- F7** S. 227(7)(c) and preceding word inserted (26.3.2015) by [Finance Act 2015 \(c. 11\)](#), **Sch. 18 para. 8(5)**
- F8** S. 227(7A) inserted (with effect in accordance with Sch. 6 para. 14 of the amending Act) by [Finance Act 2018 \(c. 3\)](#), **Sch. 6 para. 13(4)(a)**
- F9** Words in s. 227(7A)(b) inserted by 2017 c. 32, Sch. 14 para. 43A (as inserted (15.3.2018) by [Finance Act 2018 \(c. 3\)](#), **Sch. 6 para. 15(3)**)
- F10** S. 227(12A) inserted (26.3.2015) by [Finance Act 2015 \(c. 11\)](#), **Sch. 18 para. 8(6)**
- F11** Words in s. 227(13) inserted (with effect in accordance with Sch. 6 para. 14 of the amending Act) by [Finance Act 2018 \(c. 3\)](#), **Sch. 6 para. 13(4)(b)**
- F12** S. 227(13A) inserted (with effect in accordance with Sch. 6 para. 14 of the amending Act) by [Finance Act 2018 \(c. 3\)](#), **Sch. 6 para. 13(4)(c)**
- F13** S. 227(14)-(16) inserted (26.3.2015) by [Finance Act 2015 \(c. 11\)](#), **Sch. 18 para. 8(7)**

Changes to legislation:

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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):

- Sch. 31 para. 2(3)(b) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(iii\)](#)
- Sch. 31 para. 2(4A) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(c\)](#)
- Sch. 31 para. 3(1A) inserted by [2017 c. 32 Sch. 14 para. 45\(3\)\(b\)](#)
- Sch. 31 para. 5(b) inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(c\)](#)
- Sch. 31 para. 2(3)(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(ii\)](#)
- Sch. 31 para. 5(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(b\)](#)
- Sch. 31 para. 2(3)(a) words renumbered as Sch. 31 para. 2(3)(a) by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(i\)](#)
- Sch. 31 para. 5(a) words renumbered as Sch. 31 para. 5(a) by [2017 c. 32 Sch. 14 para. 45\(4\)\(a\)](#)
- Sch. 32 para. 1(2)(b) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(iii\)](#)
- Sch. 32 para. 1(3A) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(c\)](#)
- Sch. 32 para. 1(2)(a) words inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(ii\)](#)
- Sch. 32 para. 1(2)(a) words renumbered as Sch. 32 para. 1(2)(a) by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(i\)](#)