

SCHEDULES

SCHEDULE 18

SERIAL TAX AVOIDANCE

PART 5

PENALTY

Value of counteracted advantage: deferred tax

- 34 (1) To the extent that the counteracted advantage (see paragraph 35) is a deferral of tax (other than VAT), the value of that advantage is—
- (a) 25% of the amount of the deferred tax for each year of the deferral, or
 - (b) a percentage of the amount of the deferred tax, for each separate period of deferral of less than a year, equating to 25% per year,
- or, if less, 100% of the amount of the deferred tax.
- (2) This paragraph does not apply to a case to the extent that paragraph 33 applies.