



Finance Act 2019

2019 CHAPTER 1

PART 4

ADMINISTRATION AND ENFORCEMENT

Security deposits

82 Construction industry scheme and corporation tax etc

- (1) In Chapter 3 of Part 3 of FA 2004 (construction industry scheme)—
- (a) in the italic heading before section 69, after “returns” insert “, security”;
 - (b) after section 70 insert—

“70A Security for payments to HMRC

- (1) The Commissioners for Her Majesty’s Revenue and Customs may by regulations make provision for and in connection with requiring the giving, by prescribed persons and in prescribed circumstances, of security for the payment of amounts that a person is or may be liable to pay to the Commissioners under this Chapter.
- (2) Regulations under this section must provide that security may be required only where an officer of Revenue and Customs considers it necessary for the protection of the revenue.
- (3) Regulations under this section must provide for a right of appeal against—
 - (a) decisions to require security to be given;
 - (b) decisions as to the amount, terms or duration of any security required.
- (4) A person commits an offence if—
 - (a) the person fails to comply with a requirement to give security that is imposed by regulations under this section, and

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- (b) the failure continues for such period as is prescribed.
- (5) A person who commits an offence under subsection (4) is liable on summary conviction—
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale.
- (6) In this section—
 - “prescribed” means prescribed in regulations under this section;
 - “security” includes further security.”
- (2) In Schedule 18 to FA 1998 (company tax returns, assessments and related matters), after paragraph 88 insert—

“Security for payments

- 88A (1) The Commissioners for Her Majesty’s Revenue and Customs may by regulations make provision for and in connection with requiring the giving, by prescribed persons and in prescribed circumstances, of security for the payment of tax that a company is or may be liable to pay.
- (2) Regulations under this paragraph must provide that security may be required only where an officer of Revenue and Customs considers it necessary for the protection of the revenue.
 - (3) Regulations under this paragraph must provide for a right of appeal against—
 - (a) decisions to require security to be given;
 - (b) decisions as to the amount, terms or duration of any security required.
 - (4) A person commits an offence if—
 - (a) the person fails to comply with a requirement to give security that is imposed by regulations under this paragraph, and
 - (b) the failure continues for such period as is prescribed.
 - (5) A person who commits an offence under sub-paragraph (4) is liable on summary conviction—
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale.
 - (6) In this paragraph—
 - “prescribed” means prescribed in regulations under this paragraph;
 - “security” includes further security.”
 - (3) In section 684(4A) of ITEPA 2003 (failure to comply with requirement under PAYE regulations to give security), for “on summary conviction to a fine not exceeding level 5 on the standard scale” substitute
 - “on summary conviction—
 - (a) in England and Wales, to a fine;

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- (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale”.