
*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 2021, PART 3. (See end of Document for details)*

SCHEDULES

SCHEDULE 31

DISCLOSURE OF TAX AVOIDANCE SCHEMES

PART 3

OTHER AMENDMENTS

- 42 (1) Section 98C of TMA 1970 (notification under Part 7 of FA 2004: penalties) is amended as follows.
- (2) In subsection (1)(a)(i), for “or (ca)” substitute “, (ca) or (cc)”.
- (3) In subsection (2)—
- (a) after paragraph (cb) insert—
- “(cc) section 311C (duty to provide further information requested by HMRC: section 311(3) case);”;
- (b) after paragraph (d) insert—
- “(dza) section 312ZA(2) (duty to notify client of reference number: section 311(3) case);”.
- (4) In subsection (2ZA)(b), at the beginning insert “ (subject to subsection (2ZAB)) ”.
- (5) In subsection (2ZA), in the table, at the end insert—

“A failure to comply with section 311C	The first day after the end of the period before the end of which the person must comply with section 311C”.
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- (6) After subsection (2ZA) insert—
- “(2ZAA) Subsection (2ZAB) applies where—
- (a) a person fails to comply with a provision mentioned in subsection (2) (a), (b) or (c) in respect of arrangements or proposed arrangements, and
- (b) a reference number is subsequently allocated to the arrangements or proposed arrangements in a case within section 311(3) of the Finance Act 2004 (case where notice given under section 310D)).
- (2ZAB) Where this subsection applies, the failure to comply is taken for the purposes of this section to have ceased on the day before the reference number is allocated, if it has not already ceased.”
- (7) In subsection (2ZB), after paragraph (a) (but before the “and” immediately after it) insert—

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- “(aa) in the case of a penalty for a person's failure to comply with section 311C, to the amount of any fees received, or likely to have been received, by the person in connection with the arrangements, the proposed arrangements or the proposal.”.
- 43 (1) Chapter 3 of Part 4 of FA 2014 (accelerated payment) is amended as follows.
- (2) In section 219 (circumstances in which an accelerated payment notice may be given)
- (a) in subsection (5)(a), omit “notifiable”;
- (b) in subsection (5)(b), omit “notifiable” in each place;
- (c) in subsection (5)(c)—
- (i) for “the promoter” substitute “ a person ”;
- (ii) after “312(2)” insert “ or 312ZA(2) ”;
- (iii) omit “notifiable”;
- (d) in subsection (6)—
- (i) omit “notifiable”;
- (ii) after “312(6)” insert “ or 312ZA(4) ”;
- (iii) for “promoters” substitute “ persons ”.
- (3) In section 227 (withdrawal, modification or suspension of accelerated payment notice), for subsection (5) substitute—
- “(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.”

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