



Finance Act 1994

1994 CHAPTER 9

PART III

INSURANCE PREMIUM TAX

Review and appeal

59 [F¹ Appeals]

- (1) [F² Subject to section 60, an appeal shall lie to an appeal tribunal from any person who is or will be affected by any decision of HMRC with respect to the any of the following matters—]
- (a) the registration or cancellation of registration of any person under this Part;
 - (b) whether tax is chargeable in respect of a premium or how much tax is chargeable;
 - [F³(bb) whether a payment falls to be treated under section 52A(2) above as a premium received under a taxable insurance contract by an insurer and chargeable to tax at the higher rate;]
 - (c) whether a person is entitled to credit by virtue of regulations under section 55 above or how much credit a person is entitled to or the manner in which he is to benefit from credit;
 - (d) an assessment [F⁴ falling within subsection (1A) below] or the amount of such an assessment;
 - (e) any refusal of an application under section 63 below;
 - (f) whether a notice may be served on a person by virtue of regulations made under section 65 below;
 - (g) an assessment under regulations made under section 65 below or the amount of such an assessment;
 - (h) whether a scheme established by regulations under section 68 below applies to an insurer as regards an accounting period;
 - [F⁵(ha) a refusal of an application for an exemption under section 69C or the withdrawal of such an exemption;]

Status: Point in time view as at 01/08/2023.

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- (i) the requirement of any security under paragraph 24 of Schedule 7 to this Act or its amount;
- (j) any liability to a penalty under paragraphs 12 to 19 of Schedule 7 to this Act;
- (k) the amount of any penalty or interest specified in an assessment under paragraph 25 of Schedule 7 to this Act;
- (l) a claim for the repayment of an amount under paragraph 8 of Schedule 7 to this Act;
- (m) any liability of the Commissioners to pay interest under paragraph 22 of Schedule 7 to this Act or the amount of the interest payable.

[^{F6}(1A) An assessment falls within this subsection if it is an assessment under section 56 above in respect of an accounting period in relation to which a return required to be made by virtue of regulations under section 54 above has been made.]

- ^{F7}(2)
- ^{F7}(3)
- ^{F7}(4)
- ^{F7}(5)
- ^{F7}(6)
- ^{F7}(7)
- ^{F7}(8)

Textual Amendments

- F1** S. 59 heading substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 205(2)** (with Sch. 3 paras. 2-4)
- F2** Words in s. 59(1) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 205(3)** (with Sch. 3 paras. 2-4)
- F3** S. 59(1)(bb) inserted (19.3.1997) by [1997 c. 16, s. 27\(6\)](#)
- F4** Words in s. 59(1)(d) substituted (1.5.1995 with application as mentioned in [Sch. 5 para. 5\(4\)](#) of the amending Act) by [1995 c. 4, s. 34, Sch. 5 para. 5\(2\)](#)
- F5** S. 59(1)(ha) inserted (1.3.2012) by [The Enactment of Extra-Statutory Concessions Order 2012 \(S.I. 2012/266\)](#), arts. 1, **2(3)**
- F6** S. 59(1A) inserted (1.5.1995 with application as mentioned in [Sch. 5 para. 5\(4\)](#) of the amending Act) by [1995 c. 4, s. 34, Sch. 5 para. 5\(3\)](#)
- F7** S. 59(2)-(8) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 205(4)**

Modifications etc. (not altering text)

- C1** S. 59 extended (19.3.1997) by [1997 c. 16, s. 50\(1\)](#), **Sch. 5 para. 19(2)**

Commencement Information

- I1** S. 59 wholly in force at 1.10.1994 by [S.I. 1994/1773](#), **art. 2**

[^{F8}59A Offer of review

- (1) HMRC must offer a person (P) a review of a decision that has been notified to P if an appeal lies under section 59 in respect of the decision.

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- (2) The offer of the review must be made by notice given to P at the same time as the decision is notified to P.
- (3) This section does not apply to the notification of the conclusions of a review.

Textual Amendments

- F8** Ss. 59A-59G inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 206**

59B Right to require review

- (1) Any person (other than P) who has the right of appeal under section 59 against a decision may require HMRC to review that decision if that person has not appealed to the appeal tribunal under section 59G.
- (2) A notification that such a person requires a review must be made within 30 days of that person becoming aware of the decision.

Textual Amendments

- F8** Ss. 59A-59G inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 206**

59C Review by HMRC

- (1) HMRC must review a decision if—
 - (a) they have offered a review of the decision under section 59A, and
 - (b) P notifies HMRC accepting the offer within 30 days from the date of the document containing the notification of the offer.
- (2) But P may not notify acceptance of the offer if P has already appealed to the appeal tribunal under section 59G.
- (3) HMRC must review a decision if a person other than P notifies them under section 59B.
- (4) HMRC shall not review a decision if P, or another person, has appealed to the appeal tribunal under section 59G in respect of the decision.

Textual Amendments

- F8** Ss. 59A-59G inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 206**

59D Extensions of time

- (1) If under section 59A HMRC have offered P a review of a decision, HMRC may within the relevant period notify P that the relevant period is extended.

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- (2) If under section 59B another person may require HMRC to review a matter, HMRC may within the relevant period notify the other person that the relevant period is extended.
- (3) If notice is given the relevant period is extended to the end of 30 days from—
- (a) the date of the notice, or
 - (b) any other date set out in the notice or a further notice.
- (4) In this section “relevant period” means—
- (a) the period of 30 days referred to in—
 - (i) section 59C(1)(b) (in a case falling within subsection (1)), or
 - (ii) section 59B(2) (in a case falling within subsection (2)), or
 - (b) if notice has been given under subsection (1) or (2), that period as extended (or as most recently extended) in accordance with subsection (3).

Textual Amendments

F8 Ss. 59A-59G inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), [Sch. 1 para. 206](#)

59E Review out of time

- (1) This section applies if—
- (a) HMRC have offered a review of a decision under section 59A and P does not accept the offer within the time allowed under section 59C(1)(b) or 59D(3); or
 - (b) a person who requires a review under section 59B does not notify HMRC within the time allowed under that section or section 59D(3).
- (2) HMRC must review the decision under section 59C if—
- (a) after the time allowed, P, or the other person, notifies HMRC in writing requesting a review out of time,
 - (b) HMRC are satisfied that P, or the other person, had a reasonable excuse for not accepting the offer or requiring review within the time allowed, and
 - (c) HMRC are satisfied that P, or the other person, made the request without unreasonable delay after the excuse had ceased to apply.
- (3) HMRC shall not review a decision if P, or another person, has appealed to the appeal tribunal under section 59G in respect of the decision.

Textual Amendments

F8 Ss. 59A-59G inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), [Sch. 1 para. 206](#)

59F Nature of review etc

- (1) This section applies if HMRC are required to undertake a review under section 59C or 59E.

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- (2) The nature and extent of the review are to be such as appear appropriate to HMRC in the circumstances.
- (3) For the purpose of subsection (2), HMRC must, in particular, have regard to steps taken before the beginning of the review—
 - (a) by HMRC in reaching the decision, and
 - (b) by any person in seeking to resolve disagreement about the decision.
- (4) The review must take account of any representations made by P, or the other person, at a stage which gives HMRC a reasonable opportunity to consider them.
- (5) The review may conclude that the decision is to be—
 - (a) upheld,
 - (b) varied, or
 - (c) cancelled.
- (6) HMRC must give P, or the other person, notice of the conclusions of the review and their reasoning within—
 - (a) a period of 45 days beginning with the relevant date, or
 - (b) such other period as HMRC and P, or the other person, may agree.
- (7) In subsection (6) “relevant date” means—
 - (a) the date HMRC received P’s notification accepting the offer of a review (in a case falling within section 59A), or
 - (b) the date HMRC received notification from another person requiring review (in a case falling within section 59B), or
 - (c) the date on which HMRC decided to undertake the review (in a case falling within section 59E).
- (8) Where HMRC are required to undertake a review but do not give notice of the conclusions within the time period specified in subsection (6), the review is to be treated as having concluded that the decision is upheld.
- (9) If subsection (8) applies, HMRC must notify P or the other person of the conclusion which the review is treated as having reached.

Textual Amendments

F8 Ss. 59A-59G inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 206**

59G Bringing of appeals

- (1) An appeal under section 59 is to be made to the appeal tribunal before—
 - (a) the end of the period of 30 days beginning with—
 - (i) in a case where P is the appellant, the date of the document notifying the decision to which the appeal relates, or
 - (ii) in a case where a person other than P is the appellant, the date that person becomes aware of the decision, or
 - (b) if later, the end of the relevant period (within the meaning of section 59D).

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- (2) But that is subject to subsections (3) to (5).
- (3) In a case where HMRC are required to undertake a review under section 59C—
- (a) an appeal may not be made until the conclusion date, and
 - (b) any appeal is to be made within the period of 30 days beginning with the conclusion date.
- [^{F9}(4) In a case where HMRC are requested to undertake a review by virtue of section 59E—
- (a) an appeal may not be made to an appeal tribunal—
 - (i) unless HMRC have notified P, or the other person, as to whether or not a review will be undertaken, and
 - (ii) if HMRC have notified P, or the other person, that a review will be undertaken, until the conclusion date;
 - (b) any appeal where paragraph (a)(ii) applies is to be made within the period of 30 days beginning with the conclusion date;
 - (c) if HMRC have notified P, or the other person, that a review will not be undertaken, an appeal may be made only if the appeal tribunal gives permission to do so.]
- (5) In a case where section 59F(8) applies, an appeal may be made at any time from the end of the period specified in section 59F(6) to the date 30 days after the conclusion date.
- (6) An appeal may be made after the end of the period specified in subsection (1), (3)(b), (4)(b) or (5) if the appeal tribunal gives permission to do so.
- (7) In this section “conclusion date” means the date of the document notifying the conclusion of the review.]

Textual Amendments

- F8** Ss. 59A-59G inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 206**
- F9** S. 59G(4) substituted (1.6.2014) by [The Revenue and Customs \(Amendment of Appeal Provisions for Out of Time Reviews\) Order 2014 \(S.I. 2014/1264\)](#), arts. 1(2), **3** (with art. 1(3))

60 [^{F10}Further provisions relating to appeals]

- ^{F11}(1)
- (2) Without prejudice to paragraph 13 of Schedule 7 to this Act, nothing in [^{F12}section 59] above shall be taken to confer on a tribunal any power to vary an amount assessed by way of penalty or interest except in so far as it is necessary to reduce it to the amount which is appropriate under paragraphs 12 to 21 of that Schedule.
- ^{F13}(3)
- [^{F14}(4) Subject to subsections (4A) and (4B), where the appeal is against the decisions with respect to any of the matters mentioned in section 59(1)(b) and (d), it shall not be entertained unless the amount which HMRC have determined to be payable as tax has been paid or deposited with them.
- (4A) In a case where the amount determined to be payable as tax has not been paid or deposited an appeal shall be entertained if—

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- (a) HMRC are satisfied (on the application of the appellant), or
 - (b) the appeal tribunal decides (HMRC not being so satisfied and on the application of the appellant),
that the requirement to pay or deposit the amount determined would cause the appellant to suffer hardship.
- (4B) Notwithstanding the provisions of sections 11 and 13 of the Tribunals, Courts and Enforcement Act 2007, the decision of the appeal tribunal as to the issue of hardship is final.]
- (5) Where on an appeal against a decision with respect to any of the matters mentioned in section 59(1)(d) above—
- (a) it is found that the amount specified in the assessment is less than it ought to have been, and
 - (b) the tribunal gives a direction specifying the correct amount,
- the assessment shall have effect as an assessment of the amount specified in the direction and that amount shall be deemed to have been notified to the appellant.
- (6) Where on an appeal under this section it is found that the whole or part of any amount paid or deposited in pursuance of subsection (4) above is not due, so much of that amount as is found not to be due shall be repaid with interest [^{F15}at the rate applicable under section 197 of the Finance Act 1996] .
- (7) Where on an appeal under this section it is found that the whole or part of any amount due to the appellant by virtue of regulations under section 55(3)(c) or (d) or (f) above has not been paid, so much of that amount as is found not to have been paid shall be paid with interest [^{F16}at the rate applicable under section 197 of the Finance Act 1996] .
- (8) Where an appeal under this section has been entertained notwithstanding that an amount determined by [^{F17}HMRC] to be payable as tax has not been paid or deposited and it is found on the appeal that that amount is due [^{F18}it shall be paid with interest at the rate applicable under section 197 of the Finance Act 1996.]
- [^{F19}(8A) Interest under subsection (8) shall be paid without any deduction of income tax.]
- (9) On an appeal against an assessment to a penalty under paragraph 12 of Schedule 7 to this Act, the burden of proof as to the matters specified in paragraphs (a) and (b) of sub-paragraph (1) of paragraph 12 shall lie upon [^{F20}HMRC] .
- [^{F21}(10) Sections 85 and 85B of the Value Added Tax Act 1994 (settling of appeals by agreement and payment of tax where there is a further appeal) shall have effect as if—
- (a) the references to section 83 of that Act included references to section 59 above, and
 - (b) the references to value added tax included references to insurance premium tax.]

Textual Amendments

- F10** S. 60 heading substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(2)** (with Sch. 3 paras. 2-4)
- F11** S. 60(1) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(3)** (with Sch. 3 paras. 2-4)
- F12** Words in s. 60(2) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(4)** (with Sch. 3 paras. 2-4)

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- F13** S. 60(3) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(5)** (with Sch. 3 paras. 2-4)
- F14** S. 60(4)-(4B) substituted for s. 60(4) (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(6)** (with Sch. 3 paras. 2-4)
- F15** Words in s. 60(6) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(7)** (with Sch. 3 paras. 2-4, 9(2)(b))
- F16** Words in s. 60(7) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(8)** (with Sch. 3 paras. 2-4, 9(2)(b))
- F17** Word in s. 60(8) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(9)(a)** (with Sch. 3 paras. 2-4, 9(2)(b))
- F18** Words in s. 60(8) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(9)(b)** (with Sch. 3 paras. 2-4, 9(2)(b))
- F19** S. 60(8A) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(10)** (with Sch. 3 paras. 2-4)
- F20** Word in s. 60(9) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(11)** (with Sch. 3 paras. 2-4)
- F21** S. 60(10) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 207(12)** (with Sch. 3 paras. 2-4)

Modifications etc. (not altering text)

- C2** S. 60 extended (19.3.1997) by [1997 c. 16, s. 50\(1\)](#), **Sch. 5 para. 19(2)**

Commencement Information

- I2** S. 60 wholly in force at 1.10.1994 by [S.I. 1994/1773](#), **art. 2**

61 Review and appeal: commencement.

Sections 59 and 60 above shall come into force on such day as may be appointed by order.

Subordinate Legislation Made

- P1** S. 61 power exercised: 1.10.1994 appointed by [S.I. 1994/1773](#), **art. 2**

Status:

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