

SCHEDULES

SCHEDULE 21

SELF-ASSESSMENT: TIME LIMITS

The Taxes Act 1988

- 1 In section 62A(3) of the Taxes Act 1988 (time limit for giving notice of a change of basis period) for the words following “The second condition is” there shall be substituted—
- “(a) in the case of a trade, profession or vocation carried on by an individual, that notice of the accounting change is given to an officer of the Board in a return under section 8 of the Management Act on or before the day on which that return is required to be made and delivered under that section;
 - (b) in the case of a trade, profession or vocation carried on by persons in partnership, that notice of the accounting change is given to an officer of the Board in a return under section 12AA of that Act on or before the day specified in relation to that return under subsection (2) or (3) of that section.”
- 2 (1) Section 84 of the Taxes Act 1988 (relief for gifts to educational establishments) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (3), in the words following paragraph (b) (relief not available unless donor makes claim within two years of making the gift) for “two years of making the gift” there shall be substituted “the period specified in subsection (3A) below”.
- (3) After that subsection there shall be inserted—
- “(3A) The period mentioned in subsection (3) above is—
 - (a) in the case of a claim with respect to income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in whose basis period the gift is made;
 - (b) in the case of a claim with respect to corporation tax, the period of two years beginning at the end of the accounting period in which the gift is made.
 - (3B) In paragraph (a) of subsection (3A) above “basis period” means—
 - (a) in relation to a year of assessment for which a basis period is given by sections 60 to 63, that basis period,
 - (b) in relation to a year of assessment for which no basis period is given by those sections, the year of assessment.”
- 3 (1) Section 101 of the Taxes Act 1988 (valuation of work in progress at discontinuance of profession or vocation) shall be amended in accordance with the following provisions of this paragraph.

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- (2) In subsection (2) (election may be made within 12 months after discontinuance) for “12 months after the discontinuance” there shall be substituted “the period specified in subsection (2A) below”.
- (3) After that subsection there shall be inserted—
- “(2A) The period mentioned in subsection (2) above is—
- (a) in the case of an election for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in which the profession or vocation is discontinued;
- (b) in the case of an election for the purposes of corporation tax, the period of two years beginning at the end of the accounting period in which the profession or vocation is discontinued.”
- 4 In section 257BB(5)(a) of the Taxes Act 1988 (notice to be given not later than six years after the end of the year of assessment to which it relates) for “not later than six years after” there shall be substituted “on or before the fifth anniversary of the 31st January next following”.
- 5 In section 257D(9)(a) of the Taxes Act 1988 (notice to be given not later than six years after the end of the year of assessment to which it relates) for “not later than six years after” there shall be substituted “on or before the fifth anniversary of the 31st January next following”.
- 6 In section 265(5)(a) of the Taxes Act 1988 (notice to be given not later than six years after the end of the year of assessment to which it relates) for “not later than six years after” there shall be substituted “on or before the fifth anniversary of the 31st January next following”.
- 7 In section 306(1) of the Taxes Act 1988 (claim for relief in respect of eligible shares) as it has effect in relation to shares issued on or after 1st January 1994 (the enterprise investment scheme) for paragraph (b) (claim to be made not later than twelve months after the inspector authorises the issue of a certificate) there shall be substituted—
- “(b) not later than the fifth anniversary of the 31st January next following that year of assessment”.
- 8 (1) Section 356B of the Taxes Act 1988 (residence basis: married couples) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (2)(a) (election to be made before the end of the period of twelve months beginning with the end of the first year of assessment for which it is made or such longer period as the Board may in any particular case allow) for the words following “shall be made” there shall be substituted “on or before—
- (i) the first anniversary of the 31st January next following the first year of assessment for which it is made, or
- (ii) such later date as the Board may in any particular case allow”.
- (3) In subsection (4)(b) (notice of withdrawal not to be given after the end of the period of twelve months beginning with the end of the first year of assessment for which it is given or such longer period as the Board may in any particular case allow) for the words following “shall not be given after” there shall be substituted—

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- “(i) the first anniversary of the 31st January next following the year of assessment for which it is given, or
(ii) such later date as the Board may in any particular case allow, and”.
- 9 In section 356C(6) of the Taxes Act 1988, for paragraph (a) (election to have effect for the period in which it is made and subsequent periods) there shall be substituted—
- “(a) shall be made on or before the first anniversary of the 31st January next following the year of assessment in which falls the first period for which it is made and shall have effect for that period and subsequent periods.”.
- 10 In section 381(1) of the Taxes Act 1988 (claim to be made by notice given within two years after year of assessment in which loss sustained) for “within two years after” there shall be substituted “on or before the first anniversary of the 31st January next following”.
- 11 In section 392(5) of the Taxes Act 1988 (claim to be made within six years after the year of assessment in question)—
- (a) for “within six years after” there shall be substituted “on or before the fifth anniversary of the 31st January next following”; and
(b) for “not later than six years after” there shall be substituted “on or before the fifth anniversary of the 31st January next following”.
- 12 In section 471 of the Taxes Act 1988 (exchange of securities in connection with conversion operations, nationalisation etc.) for subsection (2) (tax treatment under subsection (1) not to apply to a person who gives notice to the inspector that he desires not to be treated as mentioned in that subsection) there shall be substituted—
- “(2) Subsection (1) above shall not apply to a person who elects, by notice given to an officer of the Board, not to be treated as mentioned in that subsection.
- (2A) A notice under subsection (2) above—
- (a) for the purposes of income tax, shall be given on or before the first anniversary of the 31st January next following the year of assessment in whose basis period the exchange takes place;
(b) for the purposes of corporation tax, shall be given no later than two years after the end of the accounting period in which the exchange takes place.
- (2B) In paragraph (a) of subsection (2A) above “basis period” means—
- (a) in relation to a year of assessment for which a basis period is given by sections 60 to 63, that basis period;
(b) in relation to a year of assessment for which no basis period is given by those sections, the year of assessment.”
- 13 (1) In section 472 of the Taxes Act 1988 (distribution of securities issued in connection with nationalisation etc.) in subsection (1) (dealer to be treated for tax purposes in the manner specified in subsections (2) and (3), unless he gives notice to the inspector that he desires not to be so treated) for “gives notice to the inspector not later than two years after the end of the chargeable period in which the distribution takes place that he desires” there shall be substituted “elects, by notice given to an officer of the Board,”.

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- (2) After subsection (3) of that section there shall be inserted—
- “(3A) A notice under subsection (1) above—
- (a) for the purposes of income tax, shall be given on or before the first anniversary of the 31st January next following the year of assessment in whose basis period the distribution takes place;
- (b) for the purposes of corporation tax, shall be given no later than two years after the end of the accounting period in which the distribution takes place.
- (3B) In paragraph (a) of subsection (3A) above “basis period” means—
- (a) in relation to a year of assessment for which a basis period is given by sections 60 to 63, that basis period;
- (b) in relation to a year of assessment for which no basis period is given by those sections, the year of assessment.”
- 14 (1) Section 504 of the Taxes Act 1988 shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (6) (claim to be made within two years after the year of assessment or accounting period in which holiday accommodation is let) for “two years after that year or period” there shall be substituted “the time specified in subsection (6A) below”.
- (3) After subsection (6) there shall be inserted—
- “(6A) The time mentioned in subsection (6) above is—
- (a) in the case of a claim for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in which the accommodation was let;
- (b) in the case of a claim for the purposes of corporation tax, the period of two years beginning at the end of the accounting period in which the accommodation was let.”
- 15 (1) Section 524 of the Taxes Act 1988 (taxation of receipts from sale of patent rights) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (2) (election to be made by notice served on the inspector not later than two years after end of chargeable period in which sum received)—
- (a) for “the inspector not later than two years after the end of the chargeable period in which the sum was received” there shall be substituted “an officer of the Board within the period specified in subsection (2A) below”; and
- (b) for “that chargeable period” there shall be substituted “the chargeable period in which it was received”.
- (3) After that subsection there shall be inserted—
- “(2A) The period mentioned in subsection (2) above is—
- (a) in the case of an election for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in which the sum was received;
- (b) in the case of an election for the purposes of corporation tax, the period of two years beginning at the end of the accounting period in which the sum was received.”

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- (4) In subsection (4) (election to be made not later than two years after the end of the year of assessment in which the sum is paid) for “not later than two years after the end of” there shall be substituted “on or before the first anniversary of the 31st January next following”.
- 16 In section 585(6) of the Taxes Act 1988 (no claim may be made more than six years after the end of the year of assessment in which the income to which it relates is received in the United Kingdom) for “more than six years after the end of” there shall be substituted “after the fifth anniversary of the 31st January next following”.
- 17 In section 619(4) of the Taxes Act 1988 (election to be made before the end of the year of assessment in which qualifying premium paid) for “before the end of” there shall be substituted “on or before the 31st January next following”.
- 18 In section 641(4) of the Taxes Act 1988 (election to be made not later than three months after the end of the year of assessment in which contributions are actually paid) for “not later than three months after the end of” there shall be substituted “on or before the 31st January next following”.
- 19 In section 691(4) of the Taxes Act 1988 (election to be made within two years of the end of the year of assessment to which it relates) for “within two years of the end of” there shall be substituted “on or before the first anniversary of the 31st January next following”.
- 20 In section 700(3) of the Taxes Act 1988 (time for making assessments, adjustments or claims shall not expire before the end of the third year following the year of assessment in which the administration of the estate was completed) for “third year” there shall be substituted “period of three years beginning with the 31st January next”.
- 21 (1) Section 781 of the Taxes Act 1988 (assets leased to traders and others) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (8) (adjustment may be made at any time not more than six years from end of chargeable period in which payment made) for the words following “at any time” there shall be substituted “within the period specified in subsection (8A) below”.
- (3) After that subsection there shall be inserted—
- “(8A) The period mentioned in subsection (8) above is—
- (a) in the case of adjustments with respect to income tax, the period ending with the fifth anniversary of the 31st January next following the year of assessment in which the payment was made;
- (b) in the case of adjustments with respect to corporation tax, the period of six years beginning at the end of the accounting period in which the payment was made.”
- 22 In section 804(7) of the Taxes Act 1988 (claim for credit against tax for any year of assessment to be made within six years of the end of that year of assessment) for “within six years of the end of”, in each place where those words occur, there shall be substituted “on or before the fifth anniversary of the 31st January next following”.
- 23 In section 806(1) of the Taxes Act 1988 (claim to be made not later than six years from end of chargeable period for which income or gain falls to be charged

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to tax) for the words following “any income or chargeable gain” there shall be substituted—

- “(a) shall, in the case of any income or chargeable gain which—
- (i) falls to be charged to income tax for a year of assessment, or
 - (ii) would fall to be charged to income tax for a year of assessment if any income tax were chargeable in respect of the income or gain,

be made on or before the fifth anniversary of the 31st January next following that year of assessment;

- (b) shall, in the case of any income or chargeable gain which—
- (i) falls to be charged to corporation tax for an accounting period, or
 - (ii) would fall to be charged to corporation tax for an accounting period if any corporation tax were chargeable in respect of the income or gain,

be made not more than six years after the end of that accounting period.”

- 24 In Schedule 11 to the Taxes Act 1988, in paragraph 12 (election to be made by notice given to the inspector within six years after the year of assessment in which payment made) for “the inspector within six years after” there shall be substituted “an officer of the Board on or before the fifth anniversary of the 31st January next following”.