



# Finance Act 1998

## 1998 CHAPTER 36

### PART III

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER I

#### INCOME TAX AND CORPORATION TAX

##### *Individual savings accounts etc.*

#### **75 Use of PEPs powers to provide for accounts.**

- (1) After subsection (1) of section 333 of the Taxes Act 1988 (investment plans) there shall be inserted the following subsection—

“(1A) The plans for which provision may be made by the regulations include, in particular, a plan in the form of an account the subscriptions to which are to be invested in one or more of the ways authorised by the regulations; and, accordingly, references in this section, or in any other enactment, to a plan manager include references to the manager of such an account.”

- (2) In subsection (3)(b) of that section (which allows for the imposition of limits in relation to a plan), the words “and minimum periods for which investments are to be held” shall be omitted.
- (3) In paragraph (b) of subsection (4) of that section (power to provide for persons to be liable to account for tax wrongly relieved)—
- (a) after “Board” there shall be inserted “either—  
(i);  
and
  - (b) after “it” there shall be inserted “or

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*Status: Point in time view as at 22/07/2004. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1998, Section 75. (See end of Document for details)*

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- (ii) for an amount determined in accordance with the regulations to be the amount which is to be taken to represent such tax;”.
- (4) In paragraph (c) of that subsection (adaptation and modification of enactments to secure tax accounted for), in sub-paragraph (iii) after “tax” there shall be inserted “and other amounts”.
- (5) After that paragraph there shall be inserted the following paragraphs—
- “(ca) adapting or modifying the provisions of Chapter II of Part XIII in relation to cases where—
- (i) an investor ceases to be, and is treated as not having been, entitled to relief from tax in respect of investments; or
- (ii) an investor who was not entitled to relief has been given relief on the basis that he was;
- (cb) securing that plan managers (as well as investors) are liable to account for amounts becoming due from investors as a consequence of any regulations made by virtue of paragraph (ca) above;
- (cc) that an investor under a plan or a plan manager is, in prescribed cases where relief has been given to which there was no entitlement, to be liable to a penalty of a prescribed amount, instead of to any obligation to account as mentioned in paragraph (b) or (cb) above;
- (cd) that liabilities equivalent to any of those which, by virtue of any of the preceding paragraphs of this subsection, may be imposed in cases where relief has been given to which there was no entitlement are to arise (in place of the liabilities to tax otherwise arising) in other cases where, in relation to any plan—
- (i) a prescribed contravention of, or failure to comply with, the regulations, or
- (ii) the existence of such other circumstances as may be prescribed,
- would have the effect (subject to the provision made by virtue of this paragraph) of excluding or limiting an entitlement to relief;”.
- (6) In section 151(2) of the <sup>M1</sup>Taxation of Chargeable Gains Act 1992 (application of subsections (2) to (5) of section 333 of the Taxes Act 1988 to relief from capital gains tax in respect of investments under plans), for “(2)” there shall be substituted “(1A)”.

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**Marginal Citations**

**M1** 1992 c. 12.

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