



# Finance Act 2003

## 2003 CHAPTER 14

### PART 3

#### TAXES AND DUTIES ON IMPORTATION AND EXPORTATION: PENALTIES

##### *Miscellaneous and supplementary*

#### **40 Penalties not to be deducted for income tax or corporation tax purposes**

In section 827 of the Taxes Act 1988 (no deduction for penalties etc) after subsection (1E) insert—

“(1F) Where a person is liable to make a payment by way of a penalty under section 25 or 26 of the Finance Act 2003 (evasion of, or contravention of relevant rule relating to, certain taxes and duties under the management of the Commissioners of Customs and Excise etc) the payment shall not be allowed as a deduction in computing any income, profits or losses for any tax purposes.”.