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SCHEDULES

SCHEDULE 24

Section 97

PENALTIES FOR ERRORS

Modifications etc. (not altering text)

- C1 Sch. 24 applied (N.I.) (1.4.2008) by [The Education \(Student Loans\) \(Repayment\) Regulations \(Northern Ireland\) 2000](#) (S.R. 2000/121), **regs. 7(2A)(b)**, 26(4) (as amended by S.R. 2008/129, **regs. 1**, 3(a), 4)
- C2 Sch. 24 applied (6.4.2008) by [The Social Security \(Contributions\) Regulations 2001](#) (S.I. 2001/1004), Sch. 4 paras. 22(7), **31(8)** (as amended by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2008](#) (S.I. 2008/636), **regs. 1(3)(b)**, 7)
- C3 Sch. 24 applied (E.W.) (6.4.2009) by [The Education \(Student Loans\) \(Repayment\) Regulations 2009](#) (S.I. 2009/470), **regs. 1(1)**, 13(3)(b), 40(4), 59(8)(b) (with reg. 1(4)(6))
- C4 Sch. 24 applied (N.I.) (6.4.2009) by [The Education \(Student Loans\) \(Repayment\) Regulations \(Northern Ireland\) 2009](#) (S.R. 2009/128), **regs. 1(1)**, 9(3)(b), 35(4), 54(8)(b)

PART 1

LIABILITY FOR PENALTY

Error in taxpayer's document

- 1 (1) A penalty is payable by a person (P) where—
- (a) P gives HMRC a document of a kind listed in the Table below, and
 - (b) Conditions 1 and 2 are satisfied.
- (2) Condition 1 is that the document contains an inaccuracy which amounts to, or leads to—
- (a) an understatement of [^{F1}a] liability to tax,
 - (b) a false or inflated statement of a loss ^{F2}..., or
 - (c) a false or inflated claim to repayment of tax.
- (3) Condition 2 is that the inaccuracy was [^{F3}careless (within the meaning of paragraph 3) or deliberate on P's part].
- (4) Where a document contains more than one inaccuracy, a penalty is payable for each inaccuracy.
- [^{F4}(5) In relation to a return under paragraph 2 of Schedule 2 to the Oil Taxation Act 1975, references in this Schedule to P include any person who, after the giving of the return for a taxable field (within the meaning of that Act), becomes the responsible person for the field (within the meaning of that Act).]

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Income tax or capital gains tax	Return under section 8 of TMA 1970 (personal return).
Income tax or capital gains tax	Return under section 8A of TMA 1970 (trustee's return).
Income tax or capital gains tax	Return, statement or declaration in connection with a claim for an allowance, deduction or relief.
Income tax or capital gains tax	Accounts in connection with ascertaining liability to tax.
Income tax or capital gains tax	Partnership return.
Income tax or capital gains tax	Statement or declaration in connection with a partnership return.
Income tax or capital gains tax	Accounts in connection with a partnership return.
[^{F5} Income tax	Return under section 254 of FA 2004.]
Income tax	Return for the purposes of PAYE regulations.
Construction industry deductions	Return for the purposes of regulations under section 70(1)(a) of FA 2004 in connection with deductions on account of tax under the Construction Industry Scheme.
Corporation tax	Company tax return under paragraph 3 of Schedule 18 to FA 1998.
Corporation tax	Return, statement or declaration in connection with a claim for an allowance, deduction or relief.
Corporation tax	Accounts in connection with ascertaining liability to tax.
VAT	VAT return under regulations made under paragraph 2 of Schedule 11 to VATA 1994.
VAT	Return, statement or declaration in connection with a claim.
[^{F6} Insurance premium tax	Return under regulations under section 54 of FA 1994.
Insurance premium tax	Return, statement or declaration in connection with a claim.
Inheritance tax	Account under section 216 or 217 of IHTA 1984.
Inheritance tax	Information or document under regulations under section 256 of IHTA 1984.

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Inheritance tax	Statement or declaration in connection with a deduction, exemption or relief.
Stamp duty land tax	Return under section 76 of FA 2003.
Stamp duty reserve tax	Return under regulations under section 98 of FA 1986.
Petroleum revenue tax	Return under paragraph 2 of Schedule 2 to the Oil Taxation Act 1975.
Petroleum revenue tax	Statement or declaration in connection with a claim under Schedule 5, 6, 7 or 8 to the Oil Taxation Act 1975.
Petroleum revenue tax	Statement under section 1(1)(a) of the Petroleum Revenue Tax Act 1980.
Aggregates levy	Return under regulations under section 25 of FA 2001.
Climate change levy	Return under regulations under paragraph 41 of Schedule 6 to FA 2000.
Landfill tax	Return under regulations under section 49 of FA 1996.
Air passenger duty	Return under section 38 of FA 1994.
Alcoholic liquor duties	Return under regulations under section 13, 49, 56 or 62 of the Alcoholic Liquor Duties Act 1979.
Alcoholic liquor duties	Statement or declaration in connection with a claim for repayment of duty under section 4(4) of FA 1995.
Tobacco products duty	Return under regulations under section 7 of the Tobacco Products Duties Act 1979.
Hydrocarbon oil duties	Return under regulations under section 21 of the Hydrocarbon Oil Duties Act 1979.
Excise duties	Return under regulations under section 93 of CEMA 1979.
Excise duties	Return under regulations under section 100G or 100H of CEMA 1979.
Excise duties	Statement or declaration in connection with a claim.
General betting duty	Return under regulations under paragraph 2 of Schedule 1 to BGDA 1981.
Pool betting duty	Return under regulations under paragraph 2A of Schedule 1 to BGDA 1981.

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Bingo duty	Return under regulations under paragraph 9 of Schedule 3 to BGDA 1981.
Lottery duty	Return under regulations under section 28(2) of FA 1993.
Gaming duty	Return under directions under paragraph 10 of Schedule 1 to FA 1997.
Remote gaming duty	Return under regulations under section 26K of BGDA 1981.]
[^{F7} Any of the taxes mentioned above]	Any document which is likely to be relied upon by HMRC to determine, without further inquiry, a question about— <ul style="list-style-type: none"> (a) P's liability to tax, (b) payments by P by way of or in connection with tax, (c) any other payment by P (including penalties), or (d) repayments, or any other kind of payment or credit, to P.

Textual Amendments

- F1** Word in Sch. 24 para. 1(2) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 2\(2\)\(a\)](#); [S.I. 2009/571, art. 2](#)
- F2** Words in Sch. 24 para. 1(2) omitted (1.4.2009) by virtue of [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 2\(2\)\(b\)](#); [S.I. 2009/571, art. 2](#)
- F3** Words in Sch. 24 para. 1(3) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 2\(3\)](#); [S.I. 2009/571, art. 2](#)
- F4** Sch. 24 para. 1(5) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 2\(7\)](#); [S.I. 2009/571, art. 2](#)
- F5** Words in Sch. 24 para. 1 inserted (with effect in accordance with art. 3-5 of the commencing S.I.) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 2\(4\)](#); [S.I. 2009/571, art. 2](#)
- F6** Words in Sch. 24 para. 1 inserted (with effect in accordance with art. 3-5 of the commencing S.I.) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 2\(5\)](#); [S.I. 2009/571, art. 2](#)
- F7** Words in Sch. 24 para. 1 substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 2\(6\)](#); [S.I. 2009/571, art. 2](#)

Commencement Information

- I1** Sch. 24 para. 1 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568, art. 2](#) (with [art. 3](#))

[^{F8}Error in taxpayer's document attributable to another person

Textual Amendments

- F8** Sch. 24 para. 1A and cross-heading inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 3](#); [S.I. 2009/571, art. 2](#)

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- 1A (1) A penalty is payable by a person (T) where—
- (a) another person (P) gives HMRC a document of a kind listed in the Table in paragraph 1,
 - (b) the document contains a relevant inaccuracy, and
 - (c) the inaccuracy was attributable to T deliberately supplying false information to P (whether directly or indirectly), or to T deliberately withholding information from P, with the intention of the document containing the inaccuracy.
- (2) A “relevant inaccuracy” is an inaccuracy which amounts to, or leads to—
- (a) an understatement of a liability to tax,
 - (b) a false or inflated statement of a loss, or
 - (c) a false or inflated claim to repayment of tax.
- (3) A penalty is payable under this paragraph in respect of an inaccuracy whether or not P is liable to a penalty under paragraph 1 in respect of the same inaccuracy.]

Under-assessment by HMRC

- 2 (1) A penalty is payable by a person (P) where—
- (a) an assessment issued to P by HMRC understates P's liability to [^{F9}a relevant tax], and
 - (b) P has failed to take reasonable steps to notify HMRC, within the period of 30 days beginning with the date of the assessment, that it is an under-assessment.
- (2) In deciding what steps (if any) were reasonable HMRC must consider—
- (a) whether P knew, or should have known, about the under-assessment, and
 - (b) what steps would have been reasonable to take to notify HMRC.
- [^{F10}(3) In sub-paragraph (1) “relevant tax” means any tax mentioned in the Table in paragraph 1.]
- [^{F11}(4) In this paragraph (and in Part 2 of this Schedule so far as relating to this paragraph)—
- (a) “assessment” includes determination, and
 - (b) accordingly, references to an under-assessment include an under-determination.]

Textual Amendments

- F9** Words in Sch. 24 para. 2(1) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 4\(2\)](#); [S.I. 2009/571](#), art. 2
- F10** Sch. 24 para. 2(3) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 4\(3\)](#); [S.I. 2009/571](#), art. 2
- F11** Sch. 24 para. 2(4) inserted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 2](#)

Commencement Information

- I2** Sch. 24 para. 2 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

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Degrees of culpability

- 3 (1) [^{F12}For the purposes of a penalty under paragraph 1, inaccuracy in] a document given by P to HMRC is—
- (a) “careless” if the inaccuracy is due to failure by P to take reasonable care,
 - (b) “deliberate but not concealed” if the inaccuracy is deliberate [^{F13}on P's part] but P does not make arrangements to conceal it, and
 - (c) “deliberate and concealed” if the inaccuracy is deliberate [^{F13}on P's part] and P makes arrangements to conceal it (for example, by submitting false evidence in support of an inaccurate figure).
- (2) An inaccuracy in a document given by P to HMRC, which was neither careless nor deliberate [^{F14}on P's part] when the document was given, is to be treated as careless if P—
- (a) discovered the inaccuracy at some later time, and
 - (b) did not take reasonable steps to inform HMRC.

Textual Amendments

- F12** Words in Sch. 24 para. 3(1) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\), Sch. 40 para. 5\(2\)\(a\)](#); [S.I. 2009/571, art. 2](#)
- F13** Words in Sch. 24 para. 3(1) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\), Sch. 40 para. 5\(2\)\(b\)](#); [S.I. 2009/571, art. 2](#)
- F14** Words in Sch. 24 para. 3(2) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\), Sch. 40 para. 5\(3\)](#); [S.I. 2009/571, art. 2](#)

Commencement Information

- I3** Sch. 24 para. 3 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568, art. 2](#) (with [art. 3](#))

PART 2

AMOUNT OF PENALTY

Standard amount

- 4 (1) The penalty payable under paragraph 1 is—
- (a) for careless action, 30% of the potential lost revenue,
 - (b) for deliberate but not concealed action, 70% of the potential lost revenue, and
 - (c) for deliberate and concealed action, 100% of the potential lost revenue.
- [^{F15}(1A) The penalty payable under paragraph 1A is 100% of the potential lost revenue.]
- (2) The penalty payable under paragraph 2 is 30% of the potential lost revenue.
- (3) Paragraphs 5 to 8 define “potential lost revenue”.

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Textual Amendments

- F15** Sch. 24 para. 4(1A) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), **Sch. 40 para. 6**; [S.I. 2009/571](#), art. 2

Commencement Information

- I4** Sch. 24 para. 4 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), **art. 2** (with **art. 3**)

Potential lost revenue: normal rule

- 5 (1) “The potential lost revenue” in respect of an inaccuracy in a document [^{F16}(including an inaccuracy attributable to a supply of false information or withholding of information)] or a failure to notify an under-assessment is the additional amount due or payable in respect of tax as a result of correcting the inaccuracy or assessment.
- (2) The reference in sub-paragraph (1) to the additional amount due or payable includes a reference to—
- (a) an amount payable to HMRC having been erroneously paid by way of repayment of tax, and
 - (b) an amount which would have been repayable by HMRC had the inaccuracy or assessment not been corrected.
- (3) In sub-paragraph (1) “tax” includes national insurance contributions.
- (4) The following shall be ignored in calculating potential lost revenue under this paragraph—
- (a) group relief, and
 - [^{F17}(b) any relief under [^{F18}section 458 of CTA 2010] (relief in respect of repayment etc of loan) which is deferred under [^{F19}subsection (5)] of that section;]
- (but this sub-paragraph does not prevent a penalty being charged in respect of an inaccurate claim for relief).

Textual Amendments

- F16** Words in Sch. 24 para. 5(1) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), **Sch. 40 para. 7**; [S.I. 2009/571](#), art. 2
- F17** Sch. 24 para. 5(4)(b) substituted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), **Sch. 57 para. 3**
- F18** Words in Sch. 24 para. 5(4)(b) substituted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), **Sch. 1 para. 575(a)** (with **Sch. 2**)
- F19** Words in Sch. 24 para. 5(4)(b) substituted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), **Sch. 1 para. 575(b)** (with **Sch. 2**)

Commencement Information

- I5** Sch. 24 para. 5 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), **art. 2** (with **art. 3**)

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Potential lost revenue: multiple errors

- 6 (1) Where P is liable to a penalty [^{F20} under paragraph 1] in respect of more than one inaccuracy, and the calculation of potential lost revenue under paragraph 5 in respect of each inaccuracy depends on the order in which they are corrected—
- (a) careless inaccuracies shall be taken to be corrected before deliberate inaccuracies, and
 - (b) deliberate but not concealed inaccuracies shall be taken to be corrected before deliberate and concealed inaccuracies.
- (2) In calculating potential lost revenue where P is liable to a penalty [^{F21} under paragraph 1] in respect of one or more understatements in one or more documents relating to a tax period, account shall be taken of any overstatement in any document given by P which relates to the same tax period.
- (3) In sub-paragraph (2)—
- (a) “understatement” means an inaccuracy that satisfies Condition 1 of paragraph 1, and
 - (b) “overstatement” means an inaccuracy that does not satisfy that condition.
- (4) For the purposes of sub-paragraph (2) overstatements shall be set against understatements in the following order—
- (a) understatements in respect of which P is not liable to a penalty,
 - (b) careless understatements,
 - (c) deliberate but not concealed understatements, and
 - (d) deliberate and concealed understatements.
- (5) In calculating [^{F22} for the purposes of a penalty under paragraph 1] potential lost revenue in respect of a document given by or on behalf of P no account shall be taken of the fact that a potential loss of revenue from P is or may be balanced by a potential over-payment by another person (except to the extent that an enactment requires or permits a person's tax liability to be adjusted by reference to P's).

Textual Amendments

F20 Words in Sch. 24 para. 6(1) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 8\(2\)](#); [S.I. 2009/571, art. 2](#)

F21 Words in Sch. 24 para. 6(2) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 8\(2\)](#); [S.I. 2009/571, art. 2](#)

F22 Words in Sch. 24 para. 6(5) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 8\(3\)](#); [S.I. 2009/571, art. 2](#)

Commencement Information

I6 Sch. 24 para. 6 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568, art. 2](#) (with [art. 3](#))

Potential lost revenue: losses

- 7 (1) Where an inaccuracy has the result that a loss is wrongly recorded for purposes of direct tax and the loss has been wholly used to reduce the amount due or payable in respect of tax, the potential lost revenue is calculated in accordance with paragraph 5.

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- (2) Where an inaccuracy has the result that a loss is wrongly recorded for purposes of direct tax and the loss has not been wholly used to reduce the amount due or payable in respect of tax, the potential lost revenue is—
 - (a) the potential lost revenue calculated in accordance with paragraph 5 in respect of any part of the loss that has been used to reduce the amount due or payable in respect of tax, plus
 - (b) 10% of any part that has not.
- (3) Sub-paragraphs (1) and (2) apply both—
 - (a) to a case where no loss would have been recorded but for the inaccuracy, and
 - (b) to a case where a loss of a different amount would have been recorded (but in that case sub-paragraphs (1) and (2) apply only to the difference between the amount recorded and the true amount).
- (4) Where an inaccuracy has the effect of creating or increasing an aggregate loss recorded for a group of companies—
 - (a) the potential lost revenue shall be calculated in accordance with this paragraph, and
 - (b) in applying paragraph 5 in accordance with sub-paragraphs (1) and (2) above, group relief may be taken into account (despite paragraph 5(4)(a)).
- (5) The potential lost revenue in respect of a loss is nil where, because of the nature of the loss or P's circumstances, there is no reasonable prospect of the loss being used to support a claim to reduce a tax liability (of any person).

Commencement Information

I7 Sch. 24 para. 7 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

Potential lost revenue: delayed tax

- 8 (1) Where an inaccuracy resulted in an amount of tax being declared later than it should have been (“the delayed tax”), the potential lost revenue is—
 - (a) 5% of the delayed tax for each year of the delay, or
 - (b) a percentage of the delayed tax, for each separate period of delay of less than a year, equating to 5% per year.
- (2) This paragraph does not apply to a case to which paragraph 7 applies.

Commencement Information

I8 Sch. 24 para. 8 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

Reductions for disclosure

- 9 ^{F23}(A1) Paragraph 10 provides for reductions in penalties under paragraphs 1, 1A and 2 where a person discloses an inaccuracy, a supply of false information or withholding of information, or a failure to disclose an under-assessment.]

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- (1) A person discloses an inaccuracy^[F24], a supply of false information or withholding of information,] or a failure to disclose an under-assessment by—
- (a) telling HMRC about it,
 - (b) giving HMRC reasonable help in quantifying the inaccuracy^[F25], the inaccuracy attributable to the ^[F26]supply of false information] or withholding of information, or the] under-assessment, and
 - (c) allowing HMRC access to records for the purpose of ensuring that the inaccuracy^[F27], the inaccuracy attributable to the ^[F28]supply of false information] or withholding of information, or the] under-assessment is fully corrected.
- (2) Disclosure—
- (a) is “unprompted” if made at a time when the person making it has no reason to believe that HMRC have discovered or are about to discover the inaccuracy^[F29], the supply of false information or withholding of information, or the under-assessment], and
 - (b) otherwise, is “prompted”.
- (3) In relation to disclosure “quality” includes timing, nature and extent.

Textual Amendments

- F23** Sch. 24 para. 9(A1) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 9\(2\)](#); [S.I. 2009/571](#), art. 2
- F24** Words in Sch. 24 para. 9(1) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 9\(3\)\(a\)](#); [S.I. 2009/571](#), art. 2
- F25** Words in Sch. 24 para. 9(1)(b) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 9\(3\)\(b\)](#); [S.I. 2009/571](#), art. 2
- F26** Words in Sch. 24 para. 9(1)(b) substituted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 4](#)
- F27** Words in Sch. 24 para. 9(1)(c) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 9\(3\)\(b\)](#); [S.I. 2009/571](#), art. 2
- F28** Words in Sch. 24 para. 9(1)(c) substituted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 4](#)
- F29** Words in Sch. 24 para. 9(2)(a) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 9\(4\)](#); [S.I. 2009/571](#), art. 2

Commencement Information

- I9** Sch. 24 para. 9 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

- 10 (1) Where a person who would otherwise be liable to a 30% penalty has made an unprompted disclosure, HMRC shall reduce the 30% to a percentage (which may be 0%) which reflects the quality of the disclosure.
- (2) Where a person who would otherwise be liable to a 30% penalty has made a prompted disclosure, HMRC shall reduce the 30% to a percentage, not below 15%, which reflects the quality of the disclosure.
- (3) Where a person who would otherwise be liable to a 70% penalty has made an unprompted disclosure, HMRC shall reduce the 70% to a percentage, not below 20%, which reflects the quality of the disclosure.

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- (4) Where a person who would otherwise be liable to a 70% penalty has made a prompted disclosure, HMRC shall reduce the 70% to a percentage, not below 35%, which reflects the quality of the disclosure.
- (5) Where a person who would otherwise be liable to a 100% penalty has made an unprompted disclosure, HMRC shall reduce the 100% to a percentage, not below 30%, which reflects the quality of the disclosure.
- (6) Where a person who would otherwise be liable to a 100% penalty has made a prompted disclosure, HMRC shall reduce the 100% to a percentage, not below 50%, which reflects the quality of the disclosure.

Commencement Information

I10 Sch. 24 para. 10 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

Special reduction

- 11 (1) If they think it right because of special circumstances, HMRC may reduce a penalty under paragraph 1^{F30}, 1A] or 2.
- (2) In sub-paragraph (1) “special circumstances” does not include—
 - (a) ability to pay, or
 - (b) the fact that a potential loss of revenue from one taxpayer is balanced by a potential over-payment by another.
- (3) In sub-paragraph (1) the reference to reducing a penalty includes a reference to—
 - (a) staying a penalty, and
 - (b) agreeing a compromise in relation to proceedings for a penalty.

Textual Amendments

F30 Word in Sch. 24 para. 11(1) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 10](#); [S.I. 2009/571](#), [art. 2](#)

Commencement Information

I11 Sch. 24 para. 11 in force at 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

Interaction with other penalties ^{F31} and late payment surcharges]

Textual Amendments

F31 Words in Sch. 24 para. 12 cross-heading inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 11\(4\)](#); [S.I. 2009/571](#), [art. 2](#)

- 12 (1) The final entry in the Table in paragraph 1 excludes a document in respect of which a penalty is payable under section 98 of TMA 1970 (special returns).

Status: Point in time view as at 01/04/2010.

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- (2) The amount of a penalty for which P is liable under paragraph 1 or 2 in respect of a document relating to a tax period shall be reduced by the amount of any other penalty [^{F32}incurred by P, or any surcharge for late payment of tax imposed on P, if the amount of the penalty or surcharge is determined by reference to the same tax liability.]
- (3) In the application of section 97A of TMA 1970 (multiple penalties) no account shall be taken of a penalty under paragraph 1 or 2.
- [^{F33}(4) Where penalties are imposed under paragraphs 1 and 1A in respect of the same inaccuracy, the aggregate of the amounts of the penalties must not exceed 100% of the potential lost revenue.]

Textual Amendments

- F32** Words in Sch. 24 para. 12(2) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 11\(2\)](#); [S.I. 2009/571](#), art. 2
- F33** Sch. 24 para. 12(4) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 11\(3\)](#); [S.I. 2009/571](#), art. 2

Commencement Information

- I12** Sch. 24 para. 12 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

PART 3

PROCEDURE

Assessment

- 13 (1) [^{F34}Where a person] becomes liable for a penalty under paragraph 1 [^{F35}, 1A] or 2 HMRC shall—
- (a) assess the penalty,
 - (b) [^{F36}notify the person], and
 - (c) state in the notice a tax period in respect of which the penalty is assessed.
- [^{F37}(1A) A penalty under paragraph 1, 1A or 2 must be paid before the end of the period of 30 days beginning with the day on which notification of the penalty is issued.]
- (2) An assessment—
- (a) shall be treated for procedural purposes in the same way as an assessment to tax (except in respect of a matter expressly provided for by this Act),
 - (b) may be enforced as if it were an assessment to tax, and
 - (c) may be combined with an assessment to tax.
- (3) An assessment of a penalty under paragraph 1 [^{F38} or 1A] must be made [^{F39}before the end of the] period of 12 months beginning with—
- (a) the end of the appeal period for the decision correcting the inaccuracy, or
 - (b) if there is no assessment [^{F40}to the tax concerned] within paragraph (a), the date on which the inaccuracy is corrected.

Status: Point in time view as at 01/04/2010.

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- (4) An assessment of a penalty under paragraph 2 must be made [^{F41}before the end of the period of 12 months beginning with—
- (a) the end of the appeal period for the assessment of tax which corrected the understatement, or
 - (b) if there is no assessment within paragraph (a), the date on which the understatement is corrected.]
- (5) For the purpose of sub-paragraphs (3) and (4) a reference to an appeal period is a reference to the period during which—
- (a) an appeal could be brought, or
 - (b) an appeal that has been brought has not been determined or withdrawn.
- (6) Subject to sub-paragraphs (3) and (4), a supplementary assessment may be made in respect of a penalty if an earlier assessment operated by reference to an underestimate of potential lost revenue.
- [^{F42}(7) In this Part of this Schedule references to an assessment to tax, in relation to inheritance tax and stamp duty reserve tax, are to a determination.]

Textual Amendments

- F34** Words in Sch. 24 para. 13(1) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\), Sch. 40 para. 12\(2\)\(a\)](#); [S.I. 2009/571, art. 2](#)
- F35** Word in Sch. 24 para. 13(1) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\), Sch. 40 para. 12\(2\)\(b\)](#); [S.I. 2009/571, art. 2](#)
- F36** Words in Sch. 24 para. 13(1) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\), Sch. 40 para. 12\(2\)\(c\)](#); [S.I. 2009/571, art. 2](#)
- F37** Sch. 24 para. 13(1A) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\), Sch. 40 para. 12\(3\)](#); [S.I. 2009/571, art. 2](#)
- F38** Words in Sch. 24 para. 13(3) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\), Sch. 40 para. 12\(4\)\(a\)](#); [S.I. 2009/571, art. 2](#)
- F39** Words in Sch. 24 para. 13(3) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\), Sch. 40 para. 12\(4\)\(b\)](#); [S.I. 2009/571, art. 2](#)
- F40** Words in Sch. 24 para. 13(3) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\), Sch. 40 para. 12\(4\)\(c\)](#); [S.I. 2009/571, art. 2](#)
- F41** Words in Sch. 24 para. 13(4) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\), Sch. 40 para. 12\(5\)](#); [S.I. 2009/571, art. 2](#)
- F42** Sch. 24 para. 13(7) inserted (21.7.2009) by [Finance Act 2009 \(c. 10\), Sch. 57 para. 5](#)

Commencement Information

- I13** Sch. 24 para. 13 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568, art. 2](#) (with [art. 3](#))

Suspension

- 14 (1) HMRC may suspend all or part of a penalty for a careless inaccuracy under paragraph 1 by notice in writing to P.
- (2) A notice must specify—
- (a) what part of the penalty is to be suspended,
 - (b) a period of suspension not exceeding two years, and

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- (c) conditions of suspension to be complied with by P.
- (3) HMRC may suspend all or part of a penalty only if compliance with a condition of suspension would help P to avoid becoming liable to further penalties under paragraph 1 for careless inaccuracy.
- (4) A condition of suspension may specify—
- (a) action to be taken, and
 - (b) a period within which it must be taken.
- (5) On the expiry of the period of suspension—
- (a) if P satisfies HMRC that the conditions of suspension have been complied with, the suspended penalty or part is cancelled, and
 - (b) otherwise, the suspended penalty or part becomes payable.
- (6) If, during the period of suspension of all or part of a penalty under paragraph 1, P becomes liable for another penalty under that paragraph, the suspended penalty or part becomes payable.

Commencement Information

I14 Sch. 24 para. 14 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

Appeal

- 15 (1) [^{F43}A person may] appeal against a decision of HMRC that a penalty is payable [^{F44}by the person].
- (2) [^{F43}A person may] appeal against a decision of HMRC as to the amount of a penalty payable [^{F44}by the person].
- (3) [^{F43}A person may] appeal against a decision of HMRC not to suspend a penalty payable [^{F44}by the person].
- (4) [^{F43}A person may] appeal against a decision of HMRC setting conditions of suspension of a penalty payable [^{F44}by the person].

Textual Amendments

F43 Words in Sch. 24 para. 15 substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 13\(a\)](#); [S.I. 2009/571](#), [art. 2](#)

F44 Words in Sch. 24 para. 15 substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 13\(b\)](#); [S.I. 2009/571](#), [art. 2](#)

Commencement Information

I15 Sch. 24 para. 15 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

- [^{F45}16 (1) An appeal under this Part of this Schedule shall be treated in the same way as an appeal against an assessment to the tax concerned (including by the application of any provision about bringing the appeal by notice to HMRC, about HMRC review of

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the decision or about determination of the appeal by the First-tier Tribunal or Upper Tribunal).

- (2) [F46 Sub-paragraph (1) does not apply—
- (a) so as to require P to pay a penalty before an appeal against the assessment of the penalty is determined, or
 - (b) in respect of any other matter expressly provided for by this Act.]]

Textual Amendments

- F45** Sch. 24 para. 16 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. 466**
- F46** Sch. 24 para. 16(2) substituted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), **Sch. 57 para. 6**

- 17 (1) On an appeal under paragraph 15(1) the ^{F47}... tribunal may affirm or cancel HMRC's decision.
- (2) On an appeal under paragraph 15(2) the ^{F48}... tribunal may—
- (a) affirm HMRC's decision, or
 - (b) substitute for HMRC's decision another decision that HMRC had power to make.
- (3) If the ^{F49}... tribunal substitutes its decision for HMRC's, the ^{F49}... tribunal may rely on paragraph 11—
- (a) to the same extent as HMRC (which may mean applying the same percentage reduction as HMRC to a different starting point), or
 - (b) to a different extent, but only if the ^{F49}... tribunal thinks that HMRC's decision in respect of the application of paragraph 11 was flawed.
- (4) On an appeal under paragraph 15(3)—
- (a) the ^{F50}... tribunal may order HMRC to suspend the penalty only if it thinks that HMRC's decision not to suspend was flawed, and
 - (b) if the ^{F51}... tribunal orders HMRC to suspend the penalty—
 - (i) P may appeal ^{F52}... against a provision of the notice of suspension, and
 - (ii) the ^{F53}... tribunal may order HMRC to amend the notice.
- (5) On an appeal under paragraph 15(4) the ^{F54}... tribunal—
- (a) may affirm the conditions of suspension, or
 - (b) may vary the conditions of suspension, but only if the ^{F54}... tribunal thinks that HMRC's decision in respect of the conditions was flawed.
- [^{F55}(5A) In this paragraph “tribunal” means the First-tier Tribunal or Upper Tribunal (as appropriate by virtue of paragraph 16(1)).]
- (6) In sub-paragraphs (3)(b), (4)(a) and (5)(b) “flawed” means flawed when considered in the light of the principles applicable in proceedings for judicial review.
- (7) Paragraph 14 (see in particular paragraph 14(3)) is subject to the possibility of an order under this paragraph.

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Textual Amendments

- F47** Word in Sch. 24 para. 17(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. 467(2)**
- F48** Word in Sch. 24 para. 17(2) 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. 467(2)**
- F49** Word in Sch. 24 para. 17(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. 467(2)**
- F50** Word in Sch. 24 para. 17(4)(a) 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. 467(3)(a)**
- F51** Word in Sch. 24 para. 17(4)(b) 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. 467(3)(b)(i)**
- F52** Words in Sch. 24 para. 17(4)(b)(i) 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. 467(3)(b)(ii)**
- F53** Word in Sch. 24 para. 17(4)(b)(ii) 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. 467(3)(b)(iii)**
- F54** Word in Sch. 24 para. 17(5) 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. 467(4)**
- F55** Sch. 24 para. 17(5A) 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. 467(5)**

Commencement Information

- I16** Sch. 24 para. 17 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), **art. 2** (with **art. 3**)

PART 4

MISCELLANEOUS

Agency

- 18 (1) P is liable under paragraph 1(1)(a) where a document which contains a careless inaccuracy (within the meaning of paragraph 3) is given to HMRC on P's behalf.
- (2) In paragraph 2(1)(b) and (2)(a) a reference to P includes a reference to a person who acts on P's behalf in relation to tax.
- (3) Despite sub-paragraphs (1) and (2), P is not liable to a penalty [^{F56}under paragraph 1 or 2] in respect of anything done or omitted by P's agent where P satisfies HMRC that P took reasonable care to avoid inaccuracy (in relation to paragraph 1) or unreasonable failure (in relation to paragraph 2).
- (4) In paragraph 3(1)(a) (whether in its application to a document given by P or, by virtue of sub-paragraph (1) above, in its application to a document given on P's behalf) a reference to P includes a reference to a person who acts on P's behalf in relation to tax.
- (5) In paragraph 3(2) a reference to P includes a reference to a person who acts on P's behalf in relation to tax.

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Textual Amendments

F56 Words in Sch. 24 para. 18(3) inserted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 15](#); [S.I. 2009/571](#), art. 2

Commencement Information

I17 Sch. 24 para. 18 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

Companies: officers' liability

- 19 (1) Where a penalty under paragraph 1 is payable by a company for a deliberate inaccuracy which was attributable to an officer [^{F57}of the company, the officer is liable to pay such portion of the penalty (which may be 100%) as HMRC] may specify by written notice to the officer.
- (2) Sub-paragraph (1) does not allow HMRC to recover more than 100% of a penalty.
- (3) In the application of sub-paragraph (1) to a body corporate [^{F58}other than a limited liability partnership] “officer” means—
- (a) a director (including a shadow director within the meaning of section 251 of the Companies Act 2006 (c. 46)), ^{F59} ...
- [^{F60}(aa) a manager, and]
- (b) a secretary.
- [^{F61}(3A) In the application of sub-paragraph (1) to a limited liability partnership, “officer” means a member.]
- (4) In the application of sub-paragraph (1) in any other case “officer” means—
- (a) a director,
- (b) a manager,
- (c) a secretary, and
- (d) any other person managing or purporting to manage any of the company's affairs.
- [^{F62}(5) Where HMRC have specified a portion of a penalty in a notice given to an officer under sub-paragraph (1)—
- (a) paragraph 11 applies to the specified portion as to a penalty,
- (b) the officer must pay the specified portion before the end of the period of 30 days beginning with the day on which the notice is given,
- (c) paragraph 13(2), (3) and (5) apply as if the notice were an assessment of a penalty,
- (d) a further notice may be given in respect of a portion of any additional amount assessed in a supplementary assessment in respect of the penalty under paragraph 13(6),
- (e) paragraphs 15(1) and (2), 16 and 17(1) to (3) and (6) apply as if HMRC had decided that a penalty of the amount of the specified portion is payable by the officer, and
- (f) paragraph 21 applies as if the officer were liable to a penalty.]

Status: Point in time view as at 01/04/2010.

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[^{F63}(6) In this paragraph “company” means any body corporate or unincorporated association, but does not include a partnership, a local authority or a local authority association.]

Textual Amendments

- F57** Words in Sch. 24 para. 19(1) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 16\(2\)](#); [S.I. 2009/571](#), art. 2
- F58** Words in Sch. 24 para. 19(3) inserted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 7\(2\)\(a\)](#)
- F59** Word in Sch. 24 para. 19(3)(a) omitted (21.7.2009) by virtue of [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 7\(2\)\(b\)](#)
- F60** Sch. 24 para. 19(3)(aa) inserted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 7\(2\)\(c\)](#)
- F61** Sch. 24 para. 19(3A) inserted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 7\(3\)](#)
- F62** Sch. 24 para. 19(5) substituted (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 122(2), [Sch. 40 para. 16\(3\)](#); [S.I. 2009/571](#), art. 2
- F63** Sch. 24 para. 19(6) inserted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 7\(4\)](#)

Commencement Information

- I18** Sch. 24 para. 19 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

Partnerships

- 20 (1) This paragraph applies where P is liable to a penalty under paragraph 1 for an inaccuracy in or in connection with a partnership return.
- (2) Where the inaccuracy affects the amount of tax due or payable by a partner of P, the partner is also liable to a penalty (“a partner's penalty”).
- (3) Paragraphs 4 to 13 and 19 shall apply in relation to a partner's penalty (for which purpose a reference to P shall be taken as a reference to the partner).
- (4) Potential lost revenue shall be calculated separately for the purpose of P's penalty and any partner's penalty, by reference to the proportions of any tax liability that would be borne by each partner.
- (5) Paragraph 14 shall apply jointly to P's penalty and any partner's penalties.
- (6) P may bring an appeal under paragraph 15 in respect of a partner's penalty (in addition to any appeal that P may bring in connection with the penalty for which P is liable).

Commencement Information

- I19** Sch. 24 para. 20 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

Double jeopardy

- 21 [^{F64}A person is] not liable to a penalty under paragraph 1 [^{F65} 1A] or 2 in respect of an inaccuracy or failure in respect of which [^{F66}the person has] been convicted of an offence.

Status: Point in time view as at 01/04/2010.

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Textual Amendments

- F64** Words in Sch. 24 para. 21 substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 17\(a\)](#); [S.I. 2009/571, art. 2](#)
- F65** Word in Sch. 24 para. 21 inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 17\(b\)](#); [S.I. 2009/571, art. 2](#)
- F66** Words in Sch. 24 para. 21 substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 17\(c\)](#); [S.I. 2009/571, art. 2](#)

Commencement Information

- I20** Sch. 24 para. 21 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568, art. 2](#) (with [art. 3](#))

PART 5

GENERAL

Interpretation

- 22 Paragraphs 23 to ^[F67]27] apply for the construction of this Schedule.

Textual Amendments

- F67** Word in Sch. 24 para. 22 substituted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 18](#); [S.I. 2009/571, art. 2](#)

Commencement Information

- I21** Sch. 24 para. 22 in force at 1.4.2009 in so far as not already in force by [S.I. 2008/568, art. 2](#) (with [art. 3](#))

- 23 HMRC means Her Majesty's Revenue and Customs.

Commencement Information

- I22** Sch. 24 para. 23 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568, art. 2](#) (with [art. 3](#))

- ^[F68]23A “Tax”, without more, includes duty.]

Textual Amendments

- F68** Sch. 24 para. 23A inserted (1.4.2009) by [Finance Act 2008 \(c. 9\), s. 122\(2\)](#), [Sch. 40 para. 19](#); [S.I. 2009/571, art. 2](#)

- 24 An expression used in relation to income tax has the same meaning as in the Income Tax Acts.

Status: Point in time view as at 01/04/2010.

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Commencement Information

I23 Sch. 24 para. 24 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

25 An expression used in relation to corporation tax has the same meaning as in the Corporation Tax Acts.

Commencement Information

I24 Sch. 24 para. 25 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

26 An expression used in relation to capital gains tax has the same meaning as in the enactments relating to that tax.

Commencement Information

I25 Sch. 24 para. 26 in force at 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

27 An expression used in relation to VAT has the same meaning as in VATA 1994.

Commencement Information

I26 Sch. 24 para. 27 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

28 In this Schedule—

- (a) a reference to corporation tax includes a reference to tax or duty which by virtue of an enactment is assessable or chargeable as if it were corporation tax,
- (b) a reference to tax includes a reference to construction industry deductions under Chapter 3 of Part 3 of FA 2004,
- (c) “direct tax” means—
 - (i) income tax,
 - (ii) capital gains tax, ^{F69}...
 - (iii) corporation tax, [^{F70}and
 - (iv) petroleum revenue tax,]
- (d) a reference to understating liability to VAT includes a reference to overstating entitlement to a VAT credit,
- ^{F71}(da)
- (e) a reference to a loss includes a reference to a charge, expense, deficit and any other amount which may be available for, or relied on to claim, a deduction or relief,
- (f) a reference to repayment of tax includes a reference to allowing a credit [^{F72}against tax or to a payment of a corporation tax credit],
- ^{F73}(fa) “corporation tax credit” means—
 - (i) an R&D tax credit under [^{F74}Chapter 2 or 7 of Part 13 of CTA 2009],

Status: Point in time view as at 01/04/2010.

Changes to legislation: Finance Act 2007, SCHEDULE 24 is up to date with all changes known to be in force on or before 07 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (ii) a land remediation tax credit or life assurance company tax credit under [^{F75}Chapter 3 or 4 respectively of Part 14 of CTA 2009],
- ^{F76}(iii)
- (iv) a film tax credit under [^{F77}Chapter 3 of Part 15 of CTA 2009], or
- (v) a first-year tax credit under Schedule A1 to CAA 2001,]
- (g) “tax period” means a tax year, accounting period or other period in respect of which tax is charged,
- (h) a reference to giving a document to HMRC includes a reference to communicating information to HMRC in any form and by any method (whether by post, fax, email, telephone or otherwise),
- (i) a reference to giving a document to HMRC includes a reference to making a statement or declaration in a document,
- (j) a reference to making a return or doing anything in relation to a return includes a reference to amending a return or doing anything in relation to an amended return, and
- (k) a reference to action includes a reference to omission.

Textual Amendments

- F69** Word in Sch. 24 para. 28(c) omitted (1.4.2009) by virtue of Finance Act 2008 (c. 9), s. 122(2), **Sch. 40 para. 20(2)**; S.I. 2009/571, art. 2
- F70** Sch. 24 para. 28(c)(iv) and preceding word inserted (1.4.2009) by Finance Act 2008 (c. 9), s. 122(2), **Sch. 40 para. 20(2)**; S.I. 2009/571, art. 2
- F71** Sch. 24 para. 28(da) omitted (21.7.2009) by virtue of Finance Act 2009 (c. 10), **Sch. 57 para. 8**
- F72** Words in Sch. 24 para. 28(f) inserted (1.4.2009) by Finance Act 2008 (c. 9), s. 122(2), **Sch. 40 para. 20(4)**; S.I. 2009/571, art. 2
- F73** Sch. 24 para. 28(fa) inserted (1.4.2009) by Finance Act 2008 (c. 9), s. 122(2), **Sch. 40 para. 20(5)**; S.I. 2009/571, art. 2
- F74** Words in Sch. 24 para. 28(fa)(i) substituted (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 1 para. 727(a)** (with Sch. 2 Pts. 1, 2)
- F75** Words in Sch. 24 para. 28(fa)(ii) substituted (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 1 para. 727(b)** (with Sch. 2 Pts. 1, 2)
- F76** Sch. 24 para. 28(fa)(iii) omitted (with effect in accordance with s. 1329(1) of the amending Act) by virtue of Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 1 para. 727(c)** (with Sch. 2 Pts. 1, 2)
- F77** Words in Sch. 24 para. 28(fa)(iv) substituted (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 1 para. 727(d)** (with Sch. 2 Pts. 1, 2)

Commencement Information

- I27** Sch. 24 para. 28 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by S.I. 2008/568, **art. 2** (with **art. 3**)

Consequential amendments

- 29 The following provisions are omitted—
- (a) sections 95, 95A, 97 and 98A(4) of TMA 1970 (incorrect returns and accounts),
 - (b) sections 100A(1) and 103(2) of TMA 1970 (deceased persons),
 - (c) in Schedule 18 to FA 1998 (company tax returns), paragraphs 20 and 89 (company tax returns), and

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(d) sections 60, 61, 63 and 64 of VATA 1994 (evasion).

Commencement Information

I28 Sch. 24 para. 29 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [arts. 3, 4](#))

30 In [^{F78}paragraphs 7 and 7B] of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (c. 4) (penalties) a reference to a provision of TMA 1970 shall be construed as a reference to this Schedule so far as is necessary to preserve its effect.

Textual Amendments

F78 Words in Sch. 24 para. 30 substituted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 9](#)

Commencement Information

I29 Sch. 24 para. 30 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

31 In [^{F79}paragraphs 7 and 7B] of Schedule 1 to the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7) (penalties) a reference to a provision of TMA 1970 shall be construed as a reference to this Schedule so far as is necessary to preserve its effect.

Textual Amendments

F79 Words in Sch. 24 para. 31 substituted (21.7.2009) by [Finance Act 2009 \(c. 10\)](#), [Sch. 57 para. 9](#)

Commencement Information

I30 Sch. 24 para. 31 in force at 1.4.2008 for certain purposes, 1.7.2008 for certain purposes, 1.1.2009 for certain purposes, and 1.4.2009 in so far as not already in force by [S.I. 2008/568](#), [art. 2](#) (with [art. 3](#))

Status:

Point in time view as at 01/04/2010.

Changes to legislation:

Finance Act 2007, SCHEDULE 24 is up to date with all changes known to be in force on or before 07 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.