

*These notes refer to the Finance Act 2015 (c.11)
which received Royal Assent on 26 March 2015*

FINANCE ACT 2015

EXPLANATORY NOTES

INTRODUCTION

Section 104: Penalties Etc

Summary

1. This section amends other enactments to apply penalty provisions to the diverted profits tax.

Details of the Section

2. Subsections (1) to (3) amend Schedule 56 to the Finance Act 2009 to apply penalties for failure to make payments of the diverted profits tax on time.
3. Subsections (4) to (6) amend Schedule 41 to the Finance Act 2008 to apply penalties for failure by a company to notify that it is within the scope of the diverted profits tax.

Background Note

4. The diverted profits tax is a new charge on diverted profits. The main objective is to counteract contrived arrangements used by large groups (typically multinational enterprises) that result in the erosion of the UK tax base.