

SCHEDULES

SCHEDULE 18

SERIAL TAX AVOIDANCE

PART 5

PENALTY

Value of counteracted advantage: delayed VAT

- 37 (1) Sub-paragraph (3) of paragraph 36 has effect as follows so far as the tax advantage which is counteracted as mentioned in that sub-paragraph is in the nature of a delay in relation to the person's obligations with respect to VAT.
- (2) That sub-paragraph has effect as if for "the amount by which X exceeds Y is a counteracted tax advantage" there were substituted, "there is a counteracted tax advantage of—
- (d) 25% of the amount of the delayed VAT for each year of the delay, or
 - (e) a percentage of the amount of the delayed VAT, for each separate period of delay of less than a year, equating to 25% per year,
- or, if less, 100% of the amount of the delayed VAT".