



Finance Act 2021

2021 CHAPTER 26

PART 4

MISCELLANEOUS AND FINAL

HMRC powers

126 Financial institution notices

- (1) Schedule 36 to FA 2008 (information and inspection powers) is amended as follows.
- (2) After paragraph 4 insert—

“Power to obtain information and documents from financial institutions

- 4A (1) An officer of Revenue and Customs may by notice in writing require a financial institution—
- (a) to provide information, or
 - (b) to produce a document,
- if conditions A and B are met.
- (2) Condition A is that the information or document is, in the reasonable opinion of the officer giving the notice, of a kind that it would not be onerous for the institution to provide or produce.
- (3) Condition B is that the information or document is reasonably required by the officer—
- (a) for the purpose of checking the tax position of another person whose identity is known to the officer (“the taxpayer”), or
 - (b) for the purpose of collecting a tax debt of the taxpayer.
- (4) In this Schedule, “financial institution notice” means a notice under this paragraph.

Status: This is the original version (as it was originally enacted).

- (5) A financial institution notice may be given by an officer of Revenue and Customs only if—
 - (a) the officer is an authorised officer of Revenue and Customs, or
 - (b) an authorised officer of Revenue and Customs has agreed to the giving of the notice.
 - (6) A financial institution notice must name the taxpayer to whom it relates.
 - (7) An officer of Revenue and Customs—
 - (a) must give a copy of a financial institution notice to the taxpayer to whom it relates, and
 - (b) must give the taxpayer a summary of the reasons why an officer of Revenue and Customs requires the information and documents.
 - (8) An application (without notice) may be made to the tribunal by, or with the agreement of, an authorised officer of Revenue and Customs to disapply any of the requirements under sub-paragraph (6) or (7).
 - (9) The tribunal must grant the application to disapply the requirement under sub-paragraph (6) if it is satisfied that the officer has reasonable grounds for believing that naming the taxpayer might seriously prejudice the assessment or collection of tax.
 - (10) The tribunal must grant the application to disapply a requirement under sub-paragraph (7) if it is satisfied that complying with the requirement might prejudice the assessment or collection of tax.”
- (3) In paragraph 6 (notices)—
 - (a) in sub-paragraph (1), after “2,” insert “4A,”;
 - (b) in sub-paragraph (4), after “4” insert “, 4A”.
 - (4) After paragraph 61 insert—

“Financial institution

- 61ZA (1) In this Schedule “financial institution” means—
- (a) a financial institution under the CRS other than one which is such an institution because (and only because) it is an investment entity within section VIII (A)(6)(b) of the CRS, or
 - (b) a person who issues credit cards.
- (2) In this paragraph “the CRS” means the common reporting standard for automatic exchange of financial account information developed by the Organisation for Economic Co-operation and Development, as that standard has effect from time to time.”
- (5) As soon as reasonably practicable after the end of each financial year, the Commissioners for Her Majesty’s Revenue and Customs must provide the Treasury with—
 - (a) information about the number of financial institution notices given during that financial year, and
 - (b) such other information (if any) relating to financial institution notices as the Treasury may reasonably require.

- (6) Information received under subsection (5) must be included in a report laid before the House of Commons by the Treasury.
- (7) The report mentioned in subsection (6) must be laid not later than 31 January following the end of the financial year to which the information relates.
- (8) For the purposes of subsections (5) to (7)—
 - “financial institution notice” means a notice under paragraph 4A of Schedule 36 to FA 2008;
 - each of the following is a “financial year”—
 - (a) the period beginning with the date on which this Schedule comes into force and ending with 31 March 2022, and
 - (b) each successive period of 12 months.
- (9) The amendments made by subsections (2) to (4) have effect—
 - (a) for the purpose of checking the tax position of a taxpayer as regards periods or tax liabilities whenever arising, or
 - (b) for the purpose of collecting a tax debt of a taxpayer whenever arising.