
STATUTORY INSTRUMENTS

1994 No. 2508 (C.50)

INCOME TAX

The Finance Act 1989, section 165(2),
(Appointed Day) Order 1994

Made - - - - 23rd September
1994

The Treasury, in exercise of the powers conferred on them by section 165(2) of the Finance Act 1989⁽¹⁾, hereby make the following Order:

1. This Order may be cited as the Finance Act 1989, section 165(2), (Appointed Day) Order 1994.
2. The day appointed for the purposes of section 165(2) of the Finance Act 1989 is 20th May 1995.

23rd September 1994

Tim Wood
Kenneth Clarke
Two of the Lords Commissioners of Her
Majesty's Treasury

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Order)

Section 98A of the Taxes Management Act 1970 (c. 9) (“section 98A”) (inserted by section 165(1) of the Finance Act 1989) provides for special penalties in relation to a failure to make a return in accordance with any provision of regulations made under section 203(2) (PAYE) or 566(1) (Sub-contractors) of the Income and Corporation Taxes Act 1988 (c. 1) which specifies that section 98A shall apply.

Regulations 43 and 104 of the Income Tax (Employments) Regulations 1993 (S.I. 1993/744) (annual returns by employer and employee respectively), and regulation 11 of the Income Tax (Sub-contractors in the Construction Industry) Regulations 1993 (S.I. 1993/743) (annual returns by contractor), each specify that section 98A shall apply for failure to make a return for a year of assessment within 44 days of the end of that year, that is, by the 19th May.

Section 165(2) of the Finance Act 1989 provides that, in relation to a failure to make a return beginning before such day as the Treasury may by order made by statutory instrument appoint, subsection (2) of section 98A shall have effect with a substituted paragraph (a) which makes different provision for penalties for failure to make a return within a 12 month period. The effect of this provision is that, until the appointed day, initial penalties for failure to make a return within a 12 month period in accordance with the regulations specified above are determined by the General or Special Commissioners in such amount as they consider appropriate up to a maximum limit. On and after the appointed day such penalties may be determined by officers of the Board without recourse to the General or Special Commissioners, and the amount of the penalty is automatically fixed by section 98A.

This Order appoints 20th May 1995 as the appointed day for the purposes of section 165(2) of the 1989 Act, this being the first day on which there will be a failure to make a return in accordance with the regulations specified above for the year of assessment 1994-95.