
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Tax Avoidance Schemes (Promoters and Prescribed Circumstances) Regulations 2004 (S.I.2004/1864: “the Promoters Regulations”) and the Tax Avoidance Schemes (Information) Regulations 2004 (S.I. 2004/1865: “the Information Regulations”).

Regulation 1 provides for the citation and commencement of the Regulations, for the interpretation of terms used in them, and contains a transitional provision so that where the latest time at which a person would be obliged, by virtue of the new paragraph (5A) of regulation 4 of the Information Regulations to furnish information in accordance with section 310 of the Finance Act 2004 (c. 12) is before 19th November 2004, he shall instead be required instead to provide it by that date.

Regulation 2 adds a new regulation 6 at the end of the Promoters Regulations. The effect is that a person who is prevented, by reason of legal professional privilege, or, in Scotland, confidentiality of communications, from disclosing all the information which he would otherwise be required to give under regulation 3 of the Information Regulations, is not to be treated as a promoter in respect of notifiable proposals or notifiable arrangements.

Regulation 3 amends regulation 4 of the Information Regulations. The amendments provide that where the effect of the new regulation 6 of the Promoters Regulations is that no-one is under a duty to comply with section 308 or 309 of the Finance Act 2004 (c. 12), and section 310 of that Act therefore applies, the information required by regulation 3 of the Information Regulations is to be provided at any time during the period of 5 days beginning with the day after that on which the person enters into the first transaction forming part of the notifiable arrangements.

These Regulations do not impose new costs on business.