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STATUTORY INSTRUMENTS

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**2017 No. 1215**

**The Indirect Taxes (Disclosure of  
Avoidance Schemes) Regulations 2017**

**PART 2**

**Persons not to be treated as promoters**

**Employees**

4.—(1) Subject to paragraph (4), a person (“C”) is not to be treated as a promoter<sup>(1)</sup> in relation to a notifiable proposal or a notifiable arrangement where C is an employee of an employer (“D”) and—

- (a) D is a promoter in relation to the notifiable proposal or notifiable arrangement; or
- (b) D enters into any transaction forming part of the notifiable proposal or notifiable arrangement.

(2) In this regulation—

- (a) “employee” and “employer” have the same meanings as they have for the purposes of the employment income Parts of the Income Tax (Earnings and Pensions) Act 2003<sup>(2)</sup>; and
- (b) “employee” includes a person who is an office holder and “employer” includes a person under whom an office holder holds office, where the provisions of those Parts that are expressed to apply to employments also apply to such persons.

(3) For the purposes of this regulation, where D is connected with another person (“E”), C is to be treated as an employee of E as well as being an employee of D.

(4) C is to be treated as a promoter where, but for this paragraph, a person would be under a duty under paragraph 17 of the Schedule.

(5) In this regulation, D is connected with E where D is closely bound to E by financial, economic or organisational links.

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<sup>(1)</sup> See paragraph 8 of the Schedule for the definition of “promoter”.

<sup>(2)</sup> 2003 c. 1. See section 3(2), which provides that “the employment income Parts” are Part 2 and Parts 3 to 7A. Section 3(2) was amended by paragraphs 2 and 4 of Schedule 2 to the Finance Act 2011 (c. 11).