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STATUTORY INSTRUMENTS

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**2023 No. 38**

The International Tax Enforcement  
(Disclosable Arrangements) Regulations 2023

PART 3

Penalties for breach of obligations

**Special Reduction**

**19.**—(1) If an officer of Revenue and Customs thinks it right because of special circumstances, the officer may reduce a penalty under this Part.

(2) In paragraph (1), “special circumstances” does not include—

- (a) ability to pay, or
- (b) the fact that a potential loss of revenue from one taxpayer is balanced by a potential overpayment by another.

(3) In paragraph (1), the reference to reducing a penalty includes a reference to—

- (a) staying a penalty, and
- (b) agreeing a compromise in relation to proceedings for a penalty.