
Changes to legislation: Finance Act 2011, Part 2 is up to date with all changes known to be in force on or before 05 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULES

SCHEDULE 19

THE BANK LEVY

PART 2

CHARGING OF BANK LEVY

Bank levy to be charged in relation to certain groups of entities

- 4 (1) The bank levy is charged if, as at the end of a period of account (“the chargeable period”) of an entity (“the parent entity”)—
- (a) the parent entity is a parent and is not a subsidiary of any other entity, and
 - (b) the group (“the relevant group”) for which the parent entity is the parent is a group within sub-paragraph (2).

- (2) The groups within this sub-paragraph are—
- (a) a UK banking group,
 - (b) a building society group,
 - (c) a foreign banking group, or
 - (d) a relevant non-banking group.

See Part 3 of this Schedule for the definitions of these groups.

- (3) “Group”, “parent” and “subsidiary” have the meaning given by those provisions of international accounting standards relating to the preparation of consolidated financial statements (whether or not the parent entity prepares financial statements under those standards).

- (4) Accordingly, for the purposes of this Schedule the members of the relevant group are—
- (a) the parent entity, and
 - (b) any other entity which, as at the end of the chargeable period, is a member of the group for the purposes of the provisions mentioned in sub-paragraph (3).

^{F1}(5)

^{F1}(6)

^{F1}(7)

- (8) This paragraph applies in relation to periods of account ending on or after 1 January 2011.

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Textual Amendments

- F1** Sch. 19 para. 4(5)-(7) omitted (with effect in accordance with Sch. 9 para. 35 of the amending Act) by virtue of [Finance Act 2018 \(c. 3\)](#), [Sch. 9 para. 22](#)

Bank levy to be charged in relation to certain entities which are not members of groups

- 5 (1) The bank levy is charged if, as at the end of a period of account (“the chargeable period”) of an entity (“the relevant entity”), the relevant entity—
- (a) is a UK resident bank, a building society or a relevant foreign bank, and
 - (b) does not fall within sub-paragraph (2) or (3).
- (2) An entity falls within this sub-paragraph if it is an entity in relation to which paragraph 4(1) applies as at the end of the chargeable period.
- (3) An entity (“A”) falls within this sub-paragraph if—
- (a) there is another entity (“B”) in relation to which paragraph 4(1) applies as at the end of the chargeable period (or in relation to which paragraph 4(1) would apply if B had a period of account ending at the same time as the chargeable period), and
 - (b) A is (or would be) a member of the relevant group.
- (4) This paragraph applies in relation to periods of account ending on or after 1 January 2011.

Steps for determining the amount of the bank levy

- 6 (1) This paragraph applies where the bank levy is charged as provided for by paragraph 4 or 5.
- (2) Here are the steps to be taken to determine the amount of the bank levy.
- Step 1* In accordance with Part 4 of this Schedule, determine the amount of the chargeable equity and liabilities of the relevant group or the relevant entity (as the case may be).
- Step 2* If the amount of the chargeable equity and liabilities is not more than £20,000,000,000, the amount of the bank levy is nil and no further steps are taken. If the amount of the chargeable equity and liabilities is more than £20,000,000,000, go to Step 3.
- Step 3* Determine how much of the chargeable equity and liabilities are long term equity and liabilities and how much are short term liabilities.
- Step 4* Determine the proportion (“A%”) of the chargeable equity and liabilities which is long term equity and liabilities and the proportion (“B%”) of the chargeable equity and liabilities which is short term liabilities.
- Step 5* Reduce the amount of the long term chargeable equity and liabilities by an amount equal to A% of £20,000,000,000 and the amount of the short term chargeable liabilities by an amount equal to B% of £20,000,000,000.
- Step 6* If the chargeable period is 12 months, go straight to Step 7. If not, adjust the amount of the long term chargeable equity and liabilities and the amount of the short term chargeable liabilities as follows. Divide the amount by 365 and then multiply the result by the number of days in the chargeable period.

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Step 7 Charge the amount of the long term chargeable equity and liabilities at the rate of [^{F2}0.05%]. Charge the amount of the short term chargeable liabilities at the rate of [^{F3}0.1%].

(3) The bank levy is to be paid as provided for by Part 6 of this Schedule.

Textual Amendments

- F2** Word in Sch. 19 para. 6(2) substituted (1.1.2021) by Finance (No. 2) Act 2015 (c. 33), Sch. 2 para. 6(1)(a)(3)
- F3** Word in Sch. 19 para. 6(2) substituted (1.1.2021) by Finance (No. 2) Act 2015 (c. 33), Sch. 2 para. 6(1)(b)(3)

Special provision for chargeable periods falling wholly or partly before [^{F4}1 January [^{F5}2021]]

Textual Amendments

- F4** Words in Sch. 19 para. 7 cross-heading substituted (1.1.2016) by Finance (No. 2) Act 2015 (c. 33), Sch. 2 para. 1(2)(d)(3) (with Sch. 2 para. 1(5))
- F5** Word in Sch. 19 para. 7 cross-heading substituted (1.1.2021) by Finance (No. 2) Act 2015 (c. 33), Sch. 2 para. 6(2)(c)(3)

7 [^{F6}(1) Paragraph 6(2) applies subject to this paragraph if some or all of the chargeable period falls before [^{F7}1 January [^{F8}2021]].

(2) For Step 7 there is substituted—

“*Step 7* Determine the proportion (“P%”) (if any) of the chargeable period which falls within each of the periods (“rate periods”) specified in column 1 of the following table. In relation to each rate period—

- (a) charge P% of the amount of the long term chargeable equity and liabilities at the rate specified, in relation to the rate period concerned, in the second column of the table, and
- (b) charge P% of the amount of the short term chargeable liabilities at the rate specified, in relation to the rate period concerned, in the third column of the table.

Add together the results for each rate period in which some or all of the chargeable period falls to give the amount of the bank levy.

<i>Rate period</i>	<i>Rate for long term chargeable equity and liabilities</i>	<i>Rate for short term chargeable liabilities</i>
1 January 2011 to 28 February 2011	0.025%	0.05%
1 March 2011 to 30 April 2011	0.05%	0.1%
1 May 2011 to 31 December 2011	0.0375%	0.075%

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1 January 2012 to 31 December 2012	0.044%	0.088%
Any time on or after 1 January 2014 to 31 March 2015]	[^{F9} 1 [^{F10} 0.065%]	[^{F11} 0.130%]
[^{F12} 1 April 2015 to 31 December 2015]	[^{F13} 0.105%]	[^{F13} 0.21%]
[^{F14} 1 January 2016 to 31 December 2016]	[^{F14} 0.09%]	[^{F14} 0.18%]
[^{F15} 1 January 2017 to 31 December 2017]	[^{F15} 0.085%]	[^{F15} 0.17%]
[^{F16} 1 January 2018 to 31 December 2018]	[^{F16} 0.08%]	[^{F16} 0.16%]
[^{F17} 1 January 2019 to 31 December 2019]	0.075%	0.15%]]
[^{F18} 1 January 2020 to 31 December 2020]	[^{F18} 0.07%]	[^{F18} 0.14%]
[^{F19} Any time on or after 1 January 2021]	0.05%	0.1%”]

- (3) If the chargeable period starts before 1 January 2011, for the purposes of Step 6 and Step 7 (as substituted by sub-paragraph (2)) the part of the period falling before 1 January 2011 is ignored and, accordingly, the period is treated as having started on 1 January 2011.

Textual Amendments

- F6** Sch. 19 para. 7(1)(2) substituted (1.1.2013) by [Finance Act 2012 \(c. 14\)](#), **Sch. 34 paras. 6(1), 7** (with [Sch. 34 para. 12](#))
- F7** Words in Sch. 19 para. 7(1) substituted (1.1.2016) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), **Sch. 2 para. 1(2)(a)(3)** (with [Sch. 2 para. 1\(5\)](#))
- F8** Word in Sch. 19 para. 7(1) substituted (1.1.2021) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), **Sch. 2 para. 6(2)(a)(3)**
- F9** Words in Sch. 19 para. 7(2) substituted (1.4.2015) by [Finance Act 2015 \(c. 11\)](#) , **s. 76(3)(b)(4)**
- F10** Words in Sch. 19 para. 7(2) added (1.1.2014 retrospective) by [Finance Act 2014 \(c. 26\)](#) , **s. 119(3)(c)(5)**
- F11** Word in Sch. 19 para. 7(2) substituted (1.1.2013 retrospective) by [Finance Act 2013 \(c. 29\)](#) , **s. 202(3)(b)(5)** (with [s. 202\(6\)-\(13\)](#))
- F12** Words in Sch. 19 para. 7(2) substituted (1.1.2016) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), **Sch. 2 para. 1(2)(b)(3)** (with [Sch. 2 para. 1\(5\)](#))
- F13** Words in Sch. 19 para. 7(2) added (1.4.2015) by [Finance Act 2015 \(c. 11\)](#) , **s. 76(3)(c)(4)**
- F14** Words in Sch. 19 para. 7(2) added (1.1.2016) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), **Sch. 2 para. 1(2)(c)(3)** (with [Sch. 2 para. 1\(5\)](#))
- F15** Words in Sch. 19 para. 7(2) added (1.1.2017) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), **Sch. 2 para. 2(2)(b)(3)**
- F16** Words in Sch. 19 para. 7 added (1.1.2018) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), **Sch. 2 para. 3(2)(b)(3)**
- F17** Words in Sch. 19 para. 7 added (1.1.2019) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), **Sch. 2 para. 4(2)(b)(3)**
- F18** Words in Sch. 19 para. 7 added (1.1.2020) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), **Sch. 2 para. 5(2)(b)(3)**
- F19** Words in Sch. 19 para. 7 inserted (1.1.2021) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), **Sch. 2 para. 6(2)(b)(3)**

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 23 para. 45(1)(ia) inserted by [2017 c. 10 Sch. 11 para. 6\(3\)](#)
- Sch. 23 para. 2(1A) inserted by [S.I. 2019/397 reg. 2\(2\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked on IP completion day by S.I. 2020/1544, regs. 1, 8; S.I. 2020/1641, reg. 2, Sch.)
- Sch. 23 para. 15A inserted by [S.I. 2019/397 reg. 2\(3\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked on IP completion day by S.I. 2020/1544, regs. 1, 8; S.I. 2020/1641, reg. 2, Sch.)