

SCHEDULES

SCHEDULE 15

Section 63

PARTIAL CLOSURE NOTICES

TMA 1970

- 1 TMA 1970 is amended as follows.
- 2 In section 9A (notice of enquiry), in subsection (5)—
 - (a) in paragraph (a), omit the final “or”;
 - (b) for paragraph (b) substitute—
 - “(b) after a final closure notice has been issued in relation to an enquiry into the return, or
 - (c) after a partial closure notice has been issued in such an enquiry in relation to the matters to which the amendment relates or which are affected by the amendment.”.
- 3 (1) Section 9B (amendment of return by taxpayer during enquiry) is amended as follows.
 - (2) In subsection (1), for “is in progress into the return” substitute “into the return is in progress in relation to any matter to which the amendment relates or which is affected by the amendment”.
 - (3) In subsection (3)—
 - (a) after “in progress” insert “in relation to any matter to which the amendment relates or which is affected by the amendment”;
 - (b) in paragraph (a), for “the closure notice” substitute “a partial or final closure notice”;
 - (c) in paragraph (b), for “the closure notice is issued” substitute “a partial closure notice is issued in relation to the matters to which the amendment relates or which are affected by the amendment or, if no such notice is issued, a final closure notice is issued”.
 - (4) In subsection (4)—
 - (a) after “in progress” insert “in relation to any matter”;
 - (b) for “the enquiry is completed” substitute “a partial closure notice is issued in relation to the matter or, if no such notice is issued, a final closure notice is issued”.
- 4 (1) Section 9C (amendment of self-assessment during enquiry to prevent loss of tax) is amended as follows.
 - (2) In subsection (1), for “is in progress into a return” substitute “into a return is in progress in relation to any matter”.
 - (3) In subsection (2), after “deficiency” insert “so far as it relates to the matter”.
 - (4) In subsection (4)—

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- (a) after “in progress” insert “in relation to any matter”;
 - (b) for “the enquiry is completed” substitute “a partial closure notice is issued in relation to the matter or, if no such notice is issued, a final closure notice is issued”.
- 5 In section 12ZM (NRCGT returns: notice of enquiry), in subsection (4)—
- (a) in paragraph (a), omit the final “or”;
 - (b) for paragraph (b) substitute—
 - “(b) after a final closure notice has been issued in relation to an enquiry into the return, or
 - (c) after a partial closure notice has been issued in such an enquiry in relation to the matters to which the amendment relates or which are affected by the amendment,”.
- 6 (1) Section 12ZN (NRCGT returns: amendment of return by taxpayer during enquiry) is amended as follows.
- (2) In subsection (1), for “is in progress into the return” substitute “into the return is in progress in relation to any matter to which the amendment relates or which is affected by the amendment”.
- (3) In subsection (3)—
- (a) after “in progress” insert “in relation to any matter to which the amendment relates or which is affected by the amendment”;
 - (b) in paragraph (a), for “the closure notice” substitute “a partial or final closure notice”;
 - (c) in paragraph (b), for “the closure notice is issued” substitute “a partial closure notice is issued in relation to the matters to which the amendment relates or which are affected by the amendment or, if no such notice is issued, a final closure notice is issued”.
- (4) In subsection (4)—
- (a) after “in progress” insert “in relation to any matter”;
 - (b) for “the enquiry is completed” substitute “a partial closure notice is issued in relation to the matter or, if no such notice is issued, a final closure notice is issued”.
- 7 In section 12AC (partnership return: notice of enquiry), in subsection (5)—
- (a) in paragraph (a), omit the final “or”;
 - (b) for paragraph (b) substitute—
 - “(b) after a final closure notice has been issued in relation to an enquiry into the return, or
 - (c) after a partial closure notice has been issued in such an enquiry in relation to the matters to which the amendment relates or which are affected by the amendment,”.
- 8 (1) Section 12AD (amendment of partnership return by taxpayer during enquiry) is amended as follows.
- (2) In subsection (1), for “is in progress into the return” substitute “into the return is in progress in relation to any matter to which the amendment relates or which is affected by the amendment”.
- (3) In subsection (3)—

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- (a) after “in progress” insert “in relation to any matter to which the amendment relates or which is affected by the amendment”;
 - (b) in paragraph (a), for “the closure notice” substitute “a partial or final closure notice”;
 - (c) in paragraph (b), for “the closure notice is issued” substitute “a partial closure notice is issued in relation to the matters to which the amendment relates or which are affected by the amendment or, if no such notice is issued, a final closure notice is issued”.
- (4) In subsection (4)(a), after “in progress” insert “in relation to any matter to which the amendment relates or which is affected by the amendment”.
- (5) In subsection (5)—
- (a) after “in progress” insert “in relation to any matter”;
 - (b) for “the enquiry is completed” substitute “a partial closure notice is issued in relation to the matter or, if no such notice is issued, a final closure notice is issued”.
- 9 In section 12B (records), in subsection (1)(b)(i), for “28A(1) or 28B(1)” substitute “28A(1B) or 28B(1B)”.
- 10 (1) Section 28ZA (referral of questions during enquiry) is amended as follows.
- (2) In subsection (1), after “of this Act” insert “in relation to any matter”.
- (3) In subsection (5)—
- (a) after “in progress” insert “in relation to any matter”;
 - (b) for “the enquiry is completed” substitute “a partial closure notice is issued in relation to the matter or, if no such notice is issued, a final closure notice is issued”.
- 11 In section 28ZD (effect of referral on enquiry), in subsection (1)—
- (a) for paragraph (a) substitute—
 - “(a) no partial closure notice relating to the question referred shall be given,
 - (aa) no final closure notice shall be given in relation to the enquiry, and”;
 - (b) in paragraph (b), for “such a notice” substitute “a notice referred to in paragraph (a) or (aa)”.
- 12 (1) Section 28A (completion of enquiry into personal, trustee or NRCGT return) is amended as follows.
- (2) For subsection (1) substitute—
- “(1) This section applies in relation to an enquiry under section 9A(1) or 12ZM of this Act.
- (1A) Any matter to which the enquiry relates is completed when an officer of Revenue and Customs informs the taxpayer by notice (a “partial closure notice”) that the officer has completed his enquiries into that matter.
- (1B) The enquiry is completed when an officer of Revenue and Customs informs the taxpayer by notice (a “final closure notice”) —

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- (a) in a case where no partial closure notice has been given, that the officer has completed his enquiries, or
 - (b) in a case where one or more partial closure notices have been given, that the officer has completed his remaining enquiries.”
- (3) In subsection (2)—
- (a) for “closure notice” substitute “partial or final closure notice”;
 - (b) for “either” substitute “state the officer’s conclusions and”.
- (4) In subsections (3) and (4), for “closure notice” substitute “partial or final closure notice”.
- (5) In subsection (6), for “a closure notice” substitute “the partial or final closure notice”.
- (6) After subsection (6) insert—
- “(7) In this section “the taxpayer” means the person to whom notice of enquiry was given.
- (8) In the Taxes Acts, references to a closure notice under this section are to a partial or final closure notice under this section.”
- 13 (1) Section 28B (completion of enquiry into partnership return) is amended as follows.
- (2) For subsection (1) substitute—
- “(1) This section applies in relation to an enquiry under section 12AC of this Act.
- (1A) Any matter to which the enquiry relates is completed when an officer of Revenue and Customs informs the taxpayer by notice (a “partial closure notice”) that the officer has completed his enquiries into that matter.
- (1B) The enquiry is completed when an officer of Revenue and Customs informs the taxpayer by notice (a “final closure notice”)—
- (a) in a case where no partial closure notice has been given, that the officer has completed his enquiries, or
 - (b) in a case where one or more partial closure notices have been given, that the officer has completed his remaining enquiries.”
- (3) In subsection (2)—
- (a) for “closure notice” substitute “partial or final closure notice”;
 - (b) for “either” substitute “state the officer’s conclusions and”.
- (4) In subsections (3) and (5), for “closure notice” substitute “partial or final closure notice”.
- (5) In subsection (7), for “a closure notice” substitute “the partial or final closure notice”.
- (6) After subsection (7) insert—
- “(8) In this section “the taxpayer” means the person to whom notice of enquiry was given or his successor.
- (9) In the Taxes Acts, references to a closure notice under this section are to a partial or final closure notice under this section.”
- 14 In section 29 (assessment where loss of tax discovered), in subsection (5), for paragraph (b) substitute—

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- “(b) in a case where a notice of enquiry into the return was given—
- (i) issued a partial closure notice as regards a matter to which the situation mentioned in subsection (1) above relates, or
 - (ii) if no such partial closure notice was issued, issued a final closure notice.”
- 15 In section 29A (NRCGT disposals: determination of amount which should have been assessed), in subsection (5), for paragraph (b) substitute—
- “(b) in a case where a notice of enquiry into the return was given—
- (i) issued a partial closure notice as regards a matter to which the situation mentioned in subsection (1) relates, or
 - (ii) if no such partial closure notice was issued, issued a final closure notice.”
- 16 In section 30 (recovery of overpayment of tax etc), in subsection (5)(b), for “28A(1)” substitute “28A(1B)”.
- 17 In section 30B (amendment of partnership statement where loss of tax discovered), in subsection (6), for paragraph (b) substitute—
- “(b) in a case where a notice of enquiry into that return was given—
- (i) issued a partial closure notice as regards a matter to which the situation mentioned in subsection (1) above relates, or
 - (ii) if no such partial closure notice was issued, issued a final closure notice.”
- 18 In section 31 (appeals: right of appeal), in subsection (2)—
- (a) after “in progress” insert “in relation to any matter to which the amendment relates or which is affected by the amendment”;
 - (b) for “the enquiry is completed” substitute “a partial closure notice is issued in relation to the matter or, if no such notice is issued, a final closure notice is issued”.
- 19 In section 59AA (NRCGT disposals: payments on account of CGT), in subsection (8) (a), for “28A(1)” substitute “28A(1B)”.
- 20 In section 59B (payment of income tax and capital gains tax), in subsection (4A)(a), for “28A(1)” substitute “28A(1B)”.
- 21 (1) In Schedule 3ZA (date by which payment to be made after amendment etc of self-assessment), paragraph 2 is amended as follows.
- (2) In sub-paragraph (3)(b)—
- (a) for the first “the closure notice” substitute “a partial or final closure notice”;
 - (b) for “the day on which the closure notice was given” substitute “the relevant day”.
- (3) After sub-paragraph (3) insert—
- “**(4)** In sub-paragraph (3)(b), “the relevant day” means—
- (a) in the case of an amount of tax that is payable, the day on which the partial or final closure notice was given;
 - (b) in the case of an amount of tax that is repayable—
 - (i) if the closure notice was a final closure notice, the day on which that notice was given, and

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- (ii) if the closure notice was a partial closure notice, the day on which the final closure notice relating to the enquiry was given.”

TCGA 1992

- 22 (1) Section 184I of TCGA 1992 (notices under sections 184G and 184H) is amended as follows.
- (2) In subsection (4)—
- (a) after “completed” insert “in relation to any matters”;
- (b) after “relevant notice” insert “relating to those matters”.
- (3) In subsection (5), for “into the return” substitute “referred to in subsection (4)”.
- (4) In subsection (7)(a), after “period” insert “(so far as relating to the matters in question)”.
- (5) After subsection (9) insert—
- “(9A) Subsection (9) does not apply to a partial closure notice which does not relate to any matter to which the relevant notice relates.”
- (6) In subsection (10), after “completed,” insert “so far as relating to the matters to which the relevant notice relates,”.

FA 1998

- 23 Schedule 18 to FA 1998 (company tax returns, assessments and related matters) is amended as follows.
- 24 (1) Paragraph 30 (amendment of self-assessment during enquiry to prevent loss of tax) is amended as follows.
- (2) In sub-paragraph (1)—
- (a) for “before the enquiry is completed” substitute “while the enquiry is in progress in relation to a matter”;
- (b) after “deficiency” insert “so far as it relates to the matter”.
- (3) After sub-paragraph (5) insert—
- “(6) For the purposes of this paragraph, the period during which an enquiry is in progress in relation to any matter is the whole of the period—
- (a) beginning with the day on which notice of enquiry is given, and
- (b) ending with the day on which a partial closure notice is issued in relation to the matter or, if no such notice is issued, a final closure notice is issued.”
- 25 (1) Paragraph 31 (amendment of return by company during enquiry) is amended as follows.
- (2) In sub-paragraph (1), for “is in progress into the return” substitute “into the return is in progress in relation to any matter to which the amendment relates or which is affected by the amendment”.

- (3) In sub-paragraph (3) for “until after the enquiry is completed” substitute “while the enquiry is in progress in relation to any matter to which the amendment relates or which is affected by the amendment”.
- (4) In sub-paragraph (4)(a)—
- (a) for “the closure notice” substitute “a partial or final closure notice”;
 - (b) for “on the completion of the enquiry” substitute “when a partial closure notice is issued in relation to the matters to which the amendment relates or which are affected by the amendment or, if no such notice is issued, a final closure notice is issued”.
- (5) In sub-paragraph (5)—
- (a) after “in progress” insert “in relation to any matter”;
 - (b) for “the enquiry is completed” substitute “a partial closure notice is issued in relation to the matter or, if no such notice is issued, a final closure notice is issued”.
- 26 (1) Paragraph 31A (referral of questions to the tribunal during enquiry) is amended as follows.
- (2) In sub-paragraph (1), for “into” substitute “in relation to any matter relating to”.
- (3) In sub-paragraph (5)—
- (a) after “in progress” insert “in relation to any matter”;
 - (b) for “the enquiry is completed” substitute “a partial closure notice is issued in relation to the matter or, if no such notice is issued, a final closure notice is issued”.
- 27 In paragraph 31C (effect of referral on enquiry), in sub-paragraph (1)—
- (a) for paragraph (a) substitute—
 - “(a) no partial closure notice relating to the question referred shall be given,
 - (aa) no final closure notice shall be given in relation to the enquiry, and”;
 - (b) in paragraph (b), for “such a notice” substitute “a notice referred to in paragraph (a) or (aa)”.
- 28 (1) Paragraph 32 (completion of enquiry) is amended as follows.
- (2) For sub-paragraph (1) substitute—
- “(1) Any matter to which an enquiry relates is completed when an officer of Revenue and Customs informs the company by notice (a “partial closure notice”) that they have completed their enquiries into that matter.
- (1A) An enquiry is completed when an officer of Revenue and Customs informs the company by notice (a “final closure notice”)—
- (a) in a case where no partial closure notice has been given, that they have completed their enquiries, or
 - (b) in a case where one or more partial closure notices have been given, that they have completed their remaining enquiries.
- (1B) A partial or final closure notice takes effect when it is issued.”
- (3) In subsection (2), after “concludes” insert “in a partial or final closure notice”.

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- (4) After sub-paragraph (3) insert—
- “(4) In the Taxes Acts, references to a closure notice under this paragraph are to a partial or final closure notice under this paragraph.”
- 29 In paragraph 33 (direction to complete enquiry), in sub-paragraphs (1) and (3), for “closure notice” substitute “partial or final closure notice”.
- 30 (1) Paragraph 34 (amendment of return after enquiry) is amended as follows.
- (2) In sub-paragraph (1), for “closure notice” substitute “partial or final closure notice”.
- (3) In sub-paragraph (2)—
- (a) for “closure notice” substitute “partial or final closure notice”;
- (b) after “must” insert “state the officer’s conclusions and”.
- (4) In sub-paragraphs (2A), (4)(c) and (5), for “closure notice” substitute “partial or final closure notice”.
- 31 In paragraph 42 (restriction on power to make discovery assessment or determination), in sub-paragraph (2A), for the words from “after any” to the end substitute “a notice within sub-paragraph (4) after any enquiries have been completed into the return (so far as relating to the matters to which the notice relates)”.
- 32 In paragraph 44 (situation not disclosed by return or related document etc), in sub-paragraph (1), for paragraph (b) substitute—
- “(b) in a case where a notice of enquiry into the return was given—
- (i) issued a partial closure notice as regards a matter to which the situation mentioned in paragraph 41(1) or (2) relates, or
- (ii) if no such partial closure notice was issued, issued a final closure notice.”.
- 33 In paragraph 61 (consequential claims etc), in sub-paragraphs (1)(a) and (3)(a), for “closure notice” substitute “partial or final closure notice”.
- 34 (1) Paragraph 88 (conclusiveness) is amended as follows.
- (2) In sub-paragraph (3)(b), at the end insert “(or is completed so far as relating to the matters to which the amount relates by the issue of a partial closure notice)”.
- (3) In sub-paragraph (4)(b), at the end insert “(or the completion of the enquiry so far as relating to the matters to which the amount relates by the issue of a partial closure notice)”.

Tax Credits Act 2002

- 35 (1) Section 20 of the Tax Credits Act 2002 (decisions on discovery) is amended as follows.
- (2) In subsection (2)(f), for “a closure notice” substitute “a partial or final closure notice”.
- (3) In subsection (3)(b), at the end insert “as specified in subsection (1)”.

FA 2008

- 36 In Schedule 36 to FA 2008 (information and inspection powers), in paragraphs 21(4) and 21ZA(3), at the end insert “so far as relating to the matters to which the taxpayer notice relates”.

TIOPA 2010

- 37 TIOPA 2010 is amended as follows.
- 38 (1) Section 92 (counteraction notices given after tax return made) is amended as follows.
- (2) In subsection (3)—
- (a) after “completed” insert “in relation to any matters”;
- (b) after “counteraction notice” insert “relating to those matters”.
- (3) In subsection (4), after “enquiries” insert “referred to in subsection (3)”.
- (4) In subsection (5)(a), after “return” insert “(so far as relating to the matters in question)”.
- 39 (1) Section 93 (amendment, closure notices and discovery assessments in section 92 cases) is amended as follows.
- (2) After subsection (3) insert—
- “(3A) Subsection (3) does not apply to a partial closure notice which does not relate to any matter to which the counteraction notice relates.”
- (3) In subsection (4), after “completed,” insert “so far as relating to the matters to which the counteraction notice relates,”.
- 40 In section 171 (tax returns where transfer pricing notice given), after subsection (2) insert—
- “(2A) Subsection (2) does not apply to a partial closure notice which does not relate to any matter to which the transfer pricing notice relates.”
- 41 (1) Section 256 (notices given after tax return made), so far as continuing to have effect, is amended as follows.
- (2) In subsection (2)—
- (a) after “completed” insert “in relation to any matters”;
- (b) after “receipt notice” insert “relating to those matters”.
- (3) In subsection (6)(a), after “return” insert “(so far as relating to the matters in question)”.
- 42 (1) Section 257 (amendments, closure notices etc), so far as continuing to have effect, is amended as follows.
- (2) After subsection (4) insert—
- “(4A) Subsection (4) does not apply to a partial closure notice which does not relate to any matter to which the Part 6 notice relates.”
- (3) In subsection (5), after “completed,” insert “so far as relating to the matters to which the Part 6 notice relates,”.

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- 43 In section 371IJ (claims), in subsection (4)(b), after “completed” insert “so far as relating to the matters to which the claim relates”.

Commencement

- 44 The amendments made by this Schedule have effect in relation to an enquiry under section 9A, 12ZM or 12AC of TMA 1970 or Schedule 18 to FA 1998 where—
- (a) notice of the enquiry is given on or after the day on which this Act is passed,
or
 - (b) the enquiry is in progress immediately before that day.