



Taxes Management Act 1970

1970 CHAPTER 9

PART II

RETURNS OF INCOME AND GAINS

Income tax

[^{F17} Notice of liability to income tax and capital gains tax.

(1) Every person who—

- (a) is chargeable to income tax or capital gains tax for any year of assessment, and
[^{F2}(b) falls within subsection (1A) or (1B),]
shall, subject to subsection (3) below, within [^{F3}the notification period], give notice to an officer of the Board that he is so chargeable.

[^{F4}(1A) A person falls within this subsection if the person has not received a notice under section 8 requiring a return for the year of assessment of the person's total income and chargeable gains.

(1B) A person falls within this subsection if the person—

- (a) has received a notice under section 8 requiring a return for the year of assessment of the person's total income and chargeable gains, and
(b) has received a notice under section 8B withdrawing the notice under section 8.

(1C) In subsection (1) “the notification period” means—

- (a) in the case of a person who falls within subsection (1A), the period of 6 months from the end of the year of assessment, or
(b) in the case of a person who falls within subsection (1B)—
(i) the period of 6 months from the end of the year of assessment, or
(ii) the period of 30 days beginning with the day after the day on which the notice under section 8 was withdrawn,

whichever ends later.]

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- (2) In the case of [^{F5}persons who are] chargeable as mentioned in subsection (1) above as [^{F6}the relevant trustees] of a settlement, that subsection [^{F7}and subsections (1A) to (1C) have effect as if references to a notice under section 8 were references to a notice under section 8A.]
- [^{F8}(2A) A person who—
- (a) falls within subsection (1A) or (1B), and
 - (b) is notified of a simple assessment for the year of assessment,
- is not required to give notice under subsection (1) for that year unless the person is chargeable to [^{F9}an amount of] income tax or capital gains tax for the year of assessment ^{F10} ... that is not included in the assessment.]
- (3) A person shall not be required to give notice under subsection (1) above in respect of a year of assessment if for that year [^{F11}—
- (a) the person's total income consists of income from sources falling within subsections (4) to (7) below,
 - (b) the person has no chargeable gains, and
 - (c) the person is not liable to [^{F12}an amount of tax under any provision listed in relation to the person in section 30 of ITA 2007 (additional tax)].]

(4) A source of income falls within this subsection in relation to a year of assessment if—

 - (a) all payments of, or on account of, income from it during that year, and
 - (b) all income from it for that year which does not consist of payments,

have or has been taken into account in the making of deductions or repayments of tax under [^{F13}PAYE regulations].

(5) A source of income falls within this subsection in relation to any person and any year of assessment if all income from it for that year has been or will be taken into account—

 - (a) in determining that person's liability to tax, or
 - (b) in the making of deductions or repayments of tax under [^{F13}PAYE regulations].

(6) A source of income falls within this subsection in relation to any person and any year of assessment if all income from it for that year is—

 - (a) income from which income tax has been deducted; [^{F14}or]
 - (b) income from or on which income tax is treated as having been deducted or paid [^{F15};
 - ^{F16}(c)

and that person is not for that year liable to tax at a rate other than the basic rate [^{F17}, the dividend nil rate] [^{F18}, [^{F19}the Scottish basic rate,] [^{F20}a Scottish rate below the Scottish basic rate, the Scottish intermediate rate,] [^{F21}the Welsh basic rate,] the [^{F22}dividend] ordinary rate] [^{F23}, the savings nil rate] [^{F24}or the starting rate for savings].

[^{F25}(6A) A source of income falls within this subsection in relation to any person and any year of assessment if for that year—

 - (a) all income from the source is dividend income (see section 19 of ITA 2007), and
 - (b) the person—
 - (i) is UK-resident,
 - (ii) is not liable to tax at the dividend ordinary rate,
 - (iii) is not liable to tax at the dividend upper rate,

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- (iv) is not liable to tax at the dividend additional rate, and
 - (v) is not charged to tax under section 832 of ITTOIA 2005 (relevant foreign income charged on remittance basis) on any dividend income.]
- (7) A source of income falls within this subsection in relation to any person and any year of assessment if all income from it for that year is [^{F26}income on which] he could not become liable to tax under a self-assessment made under section 9 of this Act in respect of that year.

^{F27}(8)

[^{F28}(9) For the purposes of this Act the relevant trustees of a settlement are—

- (a) in relation to income [^{F29}(other than gains treated as arising under [^{F30}Chapter 9 of Part 4 of ITTOIA 2005])], the persons who are trustees when the income arises and any persons who subsequently become trustees; and
- [^{F31}(aa) in relation to gains treated as arising under [^{F32}Chapter 9 of Part 4 of ITTOIA 2005], the persons who are trustees in the year of assessment in which the gains arise and any persons who subsequently become trustees; and]
- (b) in relation to chargeable gains, the persons who are trustees in the year of assessment in which the chargeable gains accrue and any persons who subsequently become trustees.]]

Textual Amendments

- F1** S. 7 substituted (with effect as respects the year 1995-96 and subsequent years of assessment) by [Finance Act 1994 \(c. 9\)](#), s. 199(2)(3), [Sch. 19 para. 1\(1\)\(2\)](#); [S.I. 1998/3173](#), art. 2
- F2** S. 7(1)(b) substituted (with effect in accordance with Sch. 51 para. 9 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 51 para. 2\(2\)\(a\)](#)
- F3** Words in s. 7(1) substituted (with effect in accordance with Sch. 51 para. 9 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 51 para. 2\(2\)\(b\)](#)
- F4** S. 7(1A)-(1C) inserted (with effect in accordance with Sch. 51 para. 9 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 51 para. 2\(3\)](#)
- F5** Words in s. 7(2) substituted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), s. [103\(1\)\(a\)](#)
- F6** Words in s. 7(2) substituted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), s. [103\(1\)\(b\)](#)
- F7** Words in s. 7(2) substituted (with effect in accordance with Sch. 51 para. 9 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 51 para. 2\(4\)](#)
- F8** S. 7(2A) inserted (with effect in accordance with s. 167(2) of the amending Act) by [Finance Act 2016 \(c. 24\)](#), [Sch. 23 para. 2](#)
- F9** Words in s. 7(2A) inserted (with effect in accordance with s. 98(5) of the amending Act) by [Finance Act 2022 \(c. 3\)](#), s. [98\(2\)\(a\)](#)
- F10** Words in s. 7(2A) omitted (with effect in accordance with s. 98(5) of the amending Act) by virtue of [Finance Act 2022 \(c. 3\)](#), s. [98\(2\)\(b\)](#)
- F11** Words in s. 7(3) substituted (with effect in accordance with Sch. 1 para. 7 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 1 para. 2](#)
- F12** Words in s. 7(3)(c) substituted (with effect in accordance with s. 98(5) of the amending Act) by [Finance Act 2022 \(c. 3\)](#), s. [98\(3\)](#)
- F13** Words in s. 7(4)(5) substituted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 124](#) (with [Sch. 7](#))
- F14** Word in s. 7(6) inserted (with effect in accordance with s. 5(10) of the amending Act) by [Finance Act 2016 \(c. 24\)](#), s. [5\(9\)\(a\)\(i\)](#)

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- F15** Comma in s. 7(6)(b) substituted (with effect in accordance with s. 5(10) of the amending Act) by [Finance Act 2016 \(c. 24\), s. 5\(9\)\(a\)\(ii\)](#)
- F16** S. 7(6)(c) omitted (with effect in accordance with s. 5(10) of the amending Act) by virtue of [Finance Act 2016 \(c. 24\), s. 5\(9\)\(a\)\(iii\)](#)
- F17** Words in s. 7(6) inserted (with effect in accordance with s. 5(10) of the amending Act) by [Finance Act 2016 \(c. 24\), s. 5\(9\)\(a\)\(iv\)](#)
- F18** Words in s. 7(6) inserted (with effect for the year 1999-00 and subsequent years of assessment) by [Finance \(No. 2\) Act 1997 \(c. 58\), Sch. 4 para. 1\(1\)\(2\)](#)
- F19** Words in s. 7(6) inserted (with effect in accordance with Sch. 38 para. 14(2) of the amending Act) by [Finance Act 2014 \(c. 26\), Sch. 38 para. 14\(1\)](#)
- F20** Words in s. 7(6) inserted (6.4.2018) by [The Scottish Rates of Income Tax \(Consequential Amendments\) Order 2018 \(S.I. 2018/459\), arts. 1\(2\), 2\(2\)](#)
- F21** Words in s. 7(6) inserted (24.7.2018) by [Wales Act 2014 \(c. 29\), ss. 9\(12\), 14, 29\(4\); S.I. 2018/892, art. 3 \(with arts. 5, 6, 8\)](#)
- F22** Word in s. 7(6) substituted (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 358\(2\)\(b\)](#) (with [Sch. 2](#))
- F23** Words in s. 7(6) inserted (with effect in accordance with s. 4(17) of the amending Act) by [Finance Act 2016 \(c. 24\), s. 4\(15\)](#)
- F24** Words in s. 7(6) substituted (with effect in accordance with Sch. 1 para. 65 of the amending Act) by [Finance Act 2008 \(c. 9\), Sch. 1 para. 38](#)
- F25** S. 7(6A) inserted (with effect in accordance with s. 5(10) of the amending Act) by [Finance Act 2016 \(c. 24\), s. 5\(9\)\(b\)](#)
- F26** Words in s. 7(7) substituted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 115\(1\)](#)
- F27** S. 7(8) omitted (with effect in accordance with art. 3 of the amending S.I.) by virtue of [Finance Act 2008 \(c. 9\), s. 123\(2\), Sch. 41 para. 25\(a\)\(i\); S.I. 2009/511, art. 2 \(with art. 4\)](#)
- F28** S. 7(9) inserted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 103\(2\)](#)
- F29** Words in s. 7(9)(a) inserted (with effect in accordance with Sch. 14 para. 7(5) of the amending Act) by [Finance Act 1998 \(c. 36\), Sch. 14 para. 5\(a\)](#)
- F30** Words in s. 7(9)(a) substituted (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 358\(3\)](#) (with [Sch. 2](#))
- F31** S. 7(9)(aa) inserted (with effect in accordance with Sch. 14 para. 7(5) of the amending Act) by [Finance Act 1998 \(c. 36\), Sch. 14 para. 5\(b\)](#)
- F32** Words in s. 7(9)(aa) substituted (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 358\(3\)](#) (with [Sch. 2](#))

Modifications etc. (not altering text)

- C1** S. 7 modified (as respects the year 1995-96) by [Finance Act 1995 \(c. 4\), Sch. 21 para. 1](#)
- C2** S. 7 modified (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), ss. 137\(5\)\(7\), 381\(1\)](#) (with [Sch. 9 paras. 1-9, 22](#))
- C3** S. 7 modified (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), ss. 140\(6\)\(7\), 381\(1\)](#) (with [Sch. 9 paras. 1-9, 22](#))
- C4** S. 7 applied (with modifications) (22.7.2020) by [Finance Act 2020 \(c. 14\), Sch. 16 para. 12\(1\)-\(5\)](#) (as amended (with effect in accordance with s. 98(5) of the amending Act) by [Finance Act 2022 \(c. 3\), s. 98\(4\)](#))

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Changes and effects yet to be applied to :

- s. 7(1A) words substituted by [2017 c. 32 Sch. 14 para. 2\(2\)](#)
- s. 7(7) words substituted by [2017 c. 32 Sch. 14 para. 2\(4\)](#)

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

- Blanket Amendment words substituted by [2005 c. 4 Sch. 11 para. 5](#)

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

- s. 12ABZAA(5)(a) words substituted by [2017 c. 32, Sch. 14 para. 10BA\(3\)\(a\)](#) (as inserted) by [2020 c. 14 s. 104\(4\)](#)
- s. 12ABZAA(5)(b) words substituted by [2017 c. 32, Sch. 14 para. 10BA\(3\)\(b\)](#) (as inserted) by [2020 c. 14 s. 104\(4\)](#)
- s. 7(1BA) words substituted by [2017 c. 32 Sch. 14 para. 2\(3\)](#)
- s. 8(1AB)-(1AD) inserted by [2017 c. 32 Sch. 14 para. 3\(5\)](#)
- s. 8(1HA) inserted by [2017 c. 32 Sch. 14 para. 3\(11\)](#)
- s. 8A(1)(1ZA) substituted for s. 8A(1) by [2017 c. 32 Sch. 14 para. 4\(3\)](#)
- s. 8A(1AB)-(1AD) inserted by [2017 c. 32 Sch. 14 para. 4\(5\)](#)
- s. 8A(1FA) inserted by [2017 c. 32 Sch. 14 para. 4\(9\)](#)
- s. 8A(6)(7) inserted by [2017 c. 32 Sch. 14 para. 4\(12\)](#)
- s. 12B(1)(1A) substituted for s. 12B(1) by [2017 c. 32 Sch. 14 para. 14\(2\)](#)
- s. 12B(2ZA)(2ZB) inserted by [2017 c. 32 Sch. 14 para. 14\(4\)](#)
- s. 12C and cross-heading inserted by [2017 c. 32 s. 60\(2\)](#)
- s. 12AC(1)(aa) inserted by [2017 c. 32 Sch. 14 para. 13\(2\)\(c\)](#)
- s. 12AC(7)(a) words inserted by [2017 c. 32 Sch. 14 para. 13\(3\)\(b\)](#)
- s. 12AC(7)(a) words renumbered as s. 12AC(7)(a) by [2017 c. 32 Sch. 14 para. 13\(3\)\(a\)](#)
- s. 12AC(7)(b) inserted by [2017 c. 32 Sch. 14 para. 13\(3\)\(c\)](#)
- s. 12ABA(5) inserted by [2017 c. 32 Sch. 14 para. 11\(4\)](#)
- s. 28ZA(6)(c) inserted by [2017 c. 32 Sch. 14 para. 15\(b\)](#)
- s. 29(6)(aa) inserted by [2017 c. 32 Sch. 14 para. 20\(3\)](#)
- s. 29(7)(a)(ia) omitted by [2019 c. 1 Sch. 2 para. 25\(6\)](#)
- s. 46B(5)(f) and word inserted by [2009 c. 4 Sch. 1 para. 303](#)
- s. 49E(5A) inserted by [2021 c. 26 Sch. 27 para. 4](#)
- s. 49EA inserted by [2021 c. 26 Sch. 27 para. 5](#)
- s. 49FA inserted by [2021 c. 26 Sch. 27 para. 6](#)
- s. 61(1A) inserted by [2007 c. 15 Sch. 13 para. 33\(3\)](#)
- s. 61(1A) omitted by [2008 c. 9 Sch. 43 para. 1\(3\)](#)
- s. 63(2)(aa) inserted by [2007 asp 3 Sch. 5 para. 9\(2\)](#)
- s. 69(1)(aa) inserted by [2021 c. 26 Sch. 27 para. 7\(a\)](#)
- s. 103ZA(m)-(o) inserted by [2021 c. 26 Sch. 27 para. 8\(b\)](#)
- s. 107A(3)(e) inserted by [2021 c. 26 Sch. 27 para. 9\(3\)\(c\)](#)
- Sch. A1 amendment to earlier affecting provision [2017 c. 32, s. 60](#) by [2018 c. 3 Sch. 6 para. 7\(2\)\(a\)](#)
- Sch. A1 amendment to earlier affecting provision [2017 c. 32, s. 60](#) by [2018 c. 3 Sch. 6 para. 7\(2\)\(b\)](#)
- Sch. A1 inserted by [2017 c. 32 s. 60\(3\)](#)