Inheritance Tax Act 1984

1984 CHAPTER 51

PART VIII
ADMINISTRATION AND COLLECTION

Penalties

| F1245 | Failure to deliver accounts. |

(1) This section applies where a person (“the taxpayer”) fails to deliver an account under section 216 or 217 above.

(2) The taxpayer shall be liable—
   (a) to a penalty [F2 of] £100; and
   (b) to a further penalty not exceeding £60 for every day after the day on which the failure has been declared by a court or the [F3 tribunal] and before the day on which the account is delivered.

(3) If—
   (a) proceedings in which the failure could be declared are not commenced before the end of the relevant period, and
   (b) the taxpayer has not delivered the account by the end of that period,
he shall be liable to a further penalty [F2 of] £100.

(4) In subsection (3) above “the relevant period” means the period of six months beginning immediately after the end of the period given by section 216(6) or (7) or section 217 above (whichever is applicable).

| F4(4A) | Without prejudice to any penalties under subsections (2) and (3) above, if— |

(a) the failure by the taxpayer to deliver the account continues after the anniversary of the end of the period given by section 216(6) or (7) (whichever is applicable), and
(b) there would have been a liability to tax shown in the account,
the taxpayer shall be liable to a penalty of an amount not exceeding £3,000.]

(5) If the taxpayer proves that his liability to tax does not exceed a particular amount, the penalty under subsection (2)(a) above, together with any penalty under subsection (3) above, shall not exceed that amount.

(6) A person shall not be liable to a penalty under subsection (2)(b) above if he delivers the account required by section 216 or 217 before proceedings in which the failure could be declared are commenced.

(7) A person who has a reasonable excuse for failing to deliver an account shall not be liable by reason of that failure to a penalty under this section, unless he fails to deliver the account without unreasonable delay after the excuse has ceased.

Textual Amendments

F1 Ss. 245, 245A substituted for s. 245 (27.7.1999 with effect as mentioned in s. 108(3) of the amending Act) by 1999 c. 16, s. 108(1)(3)

F2 Word in s. 245(2)(a)(3) substituted (with effect as mentioned in s. 295(5) of the amending Act) by Finance Act 2004 (c. 12), s. 295(2)(a)

F3 Words in s. 245(2)(b) substituted (1.4.2009) by The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 3(1), Sch. 1 para. 120

F4 S. 245(4A) inserted (with effect as mentioned in s. 295(6) of the amending Act) by Finance Act 2004 (c. 12), s. 295(2)(b)
Changes to legislation:
There are currently no known outstanding effects for the Inheritance Tax Act 1984, Section 245.