

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

SCHEDULES

SCHEDULE 29

Section 88.

AMENDMENTS TO MACHINERY OF SELF-ASSESSMENT

PART 1

AMENDMENT OR CORRECTION OF RETURN

Assessment by Revenue treated as included in return

- 1 (1) In section 9(3) of the Taxes Management Act 1970 (personal or trustee return to include self-assessment: assessment on the taxpayer's behalf) omit the words following the paragraphs.
- (2) After that subsection insert—
 - “(3A) An assessment under subsection (3) above is treated for the purposes of this Act as a self-assessment and as included in the return.”.

Power to amend or correct personal or trustee return

- 2 (1) In section 9 of the Taxes Management Act 1970 (personal or trustee return to include self-assessment) omit subsections (4) to (6).
- (2) After that section insert—

“9ZA Amendment of personal or trustee return by taxpayer

- (1) A person may amend his return under section 8 or 8A of this Act by notice to an officer of the Board.
- (2) An amendment may not be made more than twelve months after the filing date.
- (3) In this section “the filing date” means the day mentioned in section 8(1A) or, as the case may be, section 8A(1A) of this Act.

9ZB Correction of personal or trustee return by Revenue

- (1) An officer of the Board may amend a return under section 8 or 8A of this Act so as to correct obvious errors or omissions in the return (whether errors of principle, arithmetical mistakes or otherwise).
- (2) A correction under this section is made by notice to the person whose return it is.
- (3) No such correction may be made more than nine months after—

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (a) the day on which the return was delivered, or
 - (b) if the correction is required in consequence of an amendment of the return under section 9ZA of this Act, the day on which that amendment was made.
- (4) A correction under this section is of no effect if the person whose return it is gives notice rejecting the correction.
- (5) Notice of rejection under subsection (4) above must be given—
- (a) to the officer of the Board by whom the notice of correction was given,
 - (b) before the end of the period of 30 days beginning with the date of issue of the notice of correction.”.

Power to amend or correct partnership return

- 3 (1) In section 12AB of the Taxes Management Act 1970 (c. 9) (partnership returns) omit subsections (2) to (4) and the definition in subsection (5) of “filing date”.
- (2) After that section insert—

“12ABA Amendment of partnership return by taxpayer

- (1) A partnership return may be amended by the partner who made and delivered the return, or his successor, by notice to an officer of the Board.
- (2) An amendment may not be made more than twelve months after the filing date.
- (3) Where a partnership return is amended under this section, the officer shall by notice to each of the partners amend—
 - (a) the partner’s return under section 8 or 8A of this Act, or
 - (b) the partner’s company tax return,
 so as to give effect to the amendment of the partnership return.
- (4) In this section “the filing date” means the day specified in the notice under section 12AA(2) of this Act or, as the case may be, subsection (3) of that section.

12ABB Correction of partnership return by Revenue

- (1) An officer of the Board may amend a partnership return so as to correct obvious errors or omissions in the return (whether errors of principle, arithmetical mistakes or otherwise).
- (2) A correction under this section is made by notice to the partner who made and delivered the return, or his successor.
- (3) No such correction may be made more than nine months after—
 - (a) the day on which the return was delivered, or
 - (b) if the correction is required in consequence of an amendment of the return under section 12ABA of this Act, the day on which that amendment was made.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (4) A correction under this section is of no effect if the person to whom the notice of correction was given, or his successor, gives notice rejecting the correction.
- (5) Notice of rejection under subsection (4) above must be given—
- (a) to the officer of the Board by whom the notice of correction was given,
 - (b) before the end of the period of 30 days beginning with the date of issue of the notice of correction.
- (6) Where a partnership return is corrected under this section, the officer shall by notice to each of the partners amend—
- (a) the partner's return under section 8 or 8A of this Act, or
 - (b) the partner's company tax return,
- so as to give effect to the correction of the partnership return.
- Any such amendment shall cease to have effect if the correction is rejected.”.

PART 2

ENQUIRIES INTO RETURNS

Enquiry into personal or trustee return

- 4 (1) For section 9A of the Taxes Management Act 1970 (c. 9) (power to enquire into returns) substitute—

“9A Notice of enquiry

- (1) An officer of the Board may enquire into a return under section 8 or 8A of this Act if he gives notice of his intention to do so (“notice of enquiry”)—
- (a) to the person whose return it is (“the taxpayer”),
 - (b) within the time allowed.
- (2) The time allowed is—
- (a) if the return was delivered on or before the filing date, up to the end of the period of twelve months after the filing date;
 - (b) if the return was delivered after the filing date, up to and including the quarter day next following the first anniversary of the day on which the return was delivered;
 - (c) if the return is amended under section 9ZA of this Act, up to and including the quarter day next following the first anniversary of the day on which the amendment was made.

For this purpose the quarter days are 31st January, 30th April, 31st July and 31st October.

- (3) A return which has been the subject of one notice of enquiry may not be the subject of another, except one given in consequence of an amendment (or another amendment) of the return under section 9ZA of this Act.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (4) An enquiry extends to anything contained in the return, or required to be contained in the return, including any claim or election included in the return, subject to the following limitation.
- (5) If the notice of enquiry is given as a result of an amendment of the return under section 9ZA of this Act—
 - (a) at a time when it is no longer possible to give notice of enquiry under subsection (2)(a) or (b) above, or
 - (b) after an enquiry into the return has been completed,
 the enquiry into the return is limited to matters to which the amendment relates or which are affected by the amendment.
- (6) In this section “the filing date” means the day mentioned in section 8(1A) or, as the case may be, section 8A(1A) of this Act.

9B Amendment of return by taxpayer during enquiry

- (1) This section applies if a return is amended under section 9ZA of this Act (amendment of personal or trustee return by taxpayer) at a time when an enquiry is in progress into the return.
- (2) The amendment does not restrict the scope of the enquiry but may be taken into account (together with any matters arising) in the enquiry.
- (3) So far as the amendment affects the amount stated in the self-assessment included in the return as the amount of tax payable, it does not take effect while the enquiry is in progress and—
 - (a) if the officer states in the closure notice that he has taken the amendment into account and that—
 - (i) the amendment has been taken into account in formulating the amendments contained in the notice, or
 - (ii) his conclusion is that the amendment is incorrect,
 the amendment shall not take effect;
 - (b) otherwise, the amendment takes effect when the closure notice is issued.
- (4) For the purposes of this section the period during which an enquiry is in progress 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 the enquiry is completed.

9C Amendment of self-assessment during enquiry to prevent loss of tax

- (1) This section applies where an enquiry is in progress into a return as a result of notice of enquiry by an officer of the Board under section 9A(1) of this Act.
- (2) If the officer forms the opinion—
 - (a) that the amount stated in the self-assessment contained in the return as the amount of tax payable is insufficient, and
 - (b) that unless the assessment is immediately amended there is likely to be a loss of tax to the Crown,

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

he may by notice to the taxpayer amend the assessment to make good the deficiency.

- (3) In the case of an enquiry which under section 9A(5) of this Act is limited to matters arising from an amendment of the return, subsection (2) above only applies so far as the deficiency is attributable to the amendment.
- (4) For the purposes of this section the period during which an enquiry is in progress 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 the enquiry is completed.

9D Choice between different Cases of Schedule D

- (1) Where in the case of a return under section 8 or 8A of this Act—
 - (a) alternative methods are allowed by the Tax Acts for bringing amounts into charge to tax,
 - (b) the return is made using one of those methods but could have been made using an alternative method, and
 - (c) an officer of the Board determines which of the alternative methods is to be used,

the officer's determination is final and conclusive, for the purposes of any enquiry into the return, as to the basis of charge to be used.

- (2) For the purposes of this section the cases where the Tax Acts allow alternative methods for bringing amounts into charge to tax are where they may be brought into charge either—
 - (a) in computing profits chargeable to tax under Case I or II of Schedule D, or
 - (b) as amounts within Case III, IV or V of that Schedule.”.

- (2) In section 9A(2)(a) of the Taxes Management Act 1970 (c. 9) (as substituted by subparagraph (1) above) as it applies in relation to returns for years of assessment before the year 2001-02, for “up to the end of the period of twelve months after the filing date” substitute “ twelve months beginning with that date ”.

Enquiry into partnership return

- 5 (1) For section 12AC of the Taxes Management Act 1970 (c. 9) (power to enquire into partnership return) substitute—

“12AC Notice of enquiry

- (1) An officer of the Board may enquire into a partnership return if he gives notice of his intention to do so (“notice of enquiry”)—
 - (a) to the partner who made and delivered the return, or his successor,
 - (b) within the time allowed.
- (2) The time allowed is—
 - (a) if the return was delivered on or before the filing date, up to the end of the period of twelve months after the filing date;

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (b) if the return was delivered after the filing date, up to and including the quarter day next following the first anniversary of the day on which the return was delivered;
- (c) if the return is amended under section 12ABA of this Act, up to and including the quarter day next following the first anniversary of the day on which the amendment was made.

For this purpose the quarter days are 31st January, 30th April, 31st July and 31st October.

- (3) A return which has been the subject of one notice of enquiry may not be the subject of another, except one given in consequence of an amendment (or another amendment) of the return under section 12ABA of this Act.
- (4) An enquiry extends to anything contained in the return, or required to be contained in the return, including any claim or election included in the return, subject to the following limitation.
- (5) If the notice of enquiry is given as a result of an amendment of the return under section 12ABA of this Act—
 - (a) at a time when it is no longer possible to give notice of enquiry under subsection (2)(a) or (b) above, or
 - (b) after an enquiry into the return has been completed,
 the enquiry into the return is limited to matters to which the amendment relates or which are affected by the amendment.
- (6) The giving of notice of enquiry under subsection (1) above at any time shall be deemed to include the giving of notice of enquiry—
 - (a) under section 9A(1) of this Act to each partner who at that time has made a return under section 8 or 8A of this Act or at any subsequent time makes such a return, or
 - (b) under paragraph 24 of Schedule 18 to the Finance Act 1998 to each partner who at that time has made a company tax return or at any subsequent time makes such a return.
- (7) In this section “the filing date” means the day specified in the notice under section 12AA(2) of this Act or, as the case may be, subsection (3) of that section.

12AD Amendment of partnership return by taxpayer during enquiry

- (1) This section applies if a partnership return is amended under section 12ABA of this Act (amendment of partnership return by taxpayer) at a time when an enquiry is in progress into the return.
- (2) The amendment does not restrict the scope of the enquiry but may be taken into account (together with any matters arising) in the enquiry.
- (3) So far as the amendment affects any amount stated in the partnership statement included in the return, it does not take effect while the enquiry is in progress and—
 - (a) if the officer states in the closure notice that he has taken the amendment into account and that—

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (i) the amendment has been taken into account in formulating the amendments contained in the notice, or
 - (ii) his conclusion is that the amendment is incorrect,the amendment shall not take effect;
 - (b) otherwise, the amendment takes effect when the closure notice is issued.
- (4) Where the effect of an amendment is deferred under subsection (3) above—
- (a) no amendment to give effect to that amendment (“the deferred amendment”) shall be made under section 12ABA(3) of this Act (consequential amendment of partners’ returns) while the enquiry is in progress;
 - (b) if the deferred amendment does not take effect but is taken into account as mentioned in subsection (3)(a)(i) above, section 28B(4) of this Act (amendment of partners’ returns consequential on amendment of partnership return by closure notice) applies accordingly; and
 - (c) if the deferred amendment takes effect under subsection (3)(b) above, any necessary amendment under section 12ABA(3) of this Act may then be made.
- (5) For the purposes of this section the period during which an enquiry is in progress 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 the enquiry is completed.

12AE Choice between different Cases of Schedule D

- (1) Where in the case of a partnership return—
- (a) alternative methods are allowed by the Tax Acts for bringing amounts into charge to tax,
 - (b) the return is made using one of those methods but could have been made using an alternative method, and
 - (c) an officer of the Board determines which of the alternative methods is to be used,
- the officer’s determination is final and conclusive, for the purposes of any enquiry into the return, as to the basis of charge to be used.
- (2) For the purposes of this section the cases where the Tax Acts allow alternative methods for bringing amounts into charge to tax are those specified—
- (a) for income tax purposes, in section 9D(2) of this Act;
 - (b) for corporation tax purposes, in paragraph 84(2) or (3) of Schedule 18 to the Finance Act 1998.”.
- (2) In section 12AC(2)(a) of the Taxes Management Act 1970 (c. 9) (as substituted by sub-paragraph (1) above) as it applies in relation to returns for years of assessment before the year 2001-02, for “up to the end of the period of twelve months after the filing date” substitute “ twelve months beginning with that date ”.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

PART 3

REFERRAL OF QUESTIONS DURING ENQUIRY

Enquiry into personal, trustee or partnership return

- 6 (1) After Part 3 of the Taxes Management Act 1970 insert—

“PART 3A

REFERRAL OF QUESTIONS DURING ENQUIRY

Referral of questions during enquiry

- 28Z(A) At any time when an enquiry is in progress under section 9A(1) or 12AC(1) of this Act, any question arising in connection with the subject-matter of the enquiry may be referred to the Special Commissioners for their determination.
- (2) Notice of referral must be given—
- (a) jointly by the taxpayer and an officer of the Board,
 - (b) in writing,
 - (c) to the Special Commissioners.
- (3) The notice of referral must specify the question or questions being referred.
- (4) More than one notice of referral may be given under this section in relation to an enquiry.
- (5) For the purposes of this section the period during which an enquiry is in progress 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 the enquiry is completed.
- (6) In this section “the taxpayer” means—
- (a) in relation to an enquiry under section 9A(1) of this Act, the person to whom the notice of enquiry was given;
 - (b) in relation to an enquiry under section 12AC(1) of this Act, the person to whom the notice of enquiry was given or his successor.

Withdrawal of notice of referral

- 28Z(B) Either party may withdraw a notice of referral under section 28ZA of this Act by notice in accordance with this section.
- (2) Notice of withdrawal must be given—
- (a) in writing,
 - (b) to the other party to the referral and to the Special Commissioners,
 - (c) before the first hearing by the Special Commissioners in relation to the referral.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

Regulations with respect to referrals

- 28Z(1) The Lord Chancellor may make provision by regulations with respect to referrals to the Special Commissioners under—
- (a) section 28ZA of this Act, or
 - (b) paragraph 31A of Schedule 18 to the Finance Act 1998.
- (2) Regulations under subsection (1) above may, in particular—
- (a) make provision with respect to any of the matters dealt with in the following provisions of this Act—
 - (i) section 50 (procedure before the Special Commissioners),
 - (ii) section 56 (statement of case for opinion of the High Court),
 - (iii) section 56A (appeals from the Special Commissioners), and
 - (iv) section 58 (proceedings in Northern Ireland), or
 - (b) provide for any of those provisions to apply, with such modifications as may be specified in the regulations, in relation to a referral to the Special Commissioners under the provisions mentioned in subsection (1) above.
- (3) Regulations under subsection (1) above may—
- (a) make different provision for different cases or different circumstances, and
 - (b) contain such supplementary, incidental, consequential and transitional provision as the Lord Chancellor thinks appropriate.
- (4) Regulations under subsection (1) above shall—
- (a) be made by statutory instrument, and
 - (b) be subject to annulment in pursuance of a resolution of either House of Parliament.
- (5) In the following provisions any reference to an appeal includes a reference to a referral under section 28ZA of this Act or paragraph 31A of Schedule 18 to the Finance Act 1998—
- (a) sections 56B, 56C and 56D of this Act (power of the Lord Chancellor to make regulations about the practice and procedure to be followed in connection with appeals to the Special Commissioners); and
 - (b) section 57 of this Act (power of the Board to make regulations about appeals relating to chargeable gains).
- (6) Any regulations under section 56B or 57 of this Act which are in force immediately before the commencement of subsection (1) above shall apply in relation to referrals under section 28ZA of this Act or paragraph 31A of Schedule 18 to the Finance Act 1998, subject to any necessary modifications, as they apply in relation to appeals to the Special Commissioners.
- (7) Regulations under this section relating to proceedings in Scotland shall not be made except with the consent of the Scottish Ministers.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

Effect of referral on enquiry

- 28ZD(1) While proceedings on a referral under section 28ZA of this Act are in progress in relation to an enquiry—
- (a) no closure notice shall be given in relation to the enquiry, and
 - (b) no application may be made for a direction to give such a notice.
- (2) For the purposes of this section proceedings on a referral are in progress where—
- (a) notice of referral has been given,
 - (b) the notice has not been withdrawn, and
 - (c) the questions referred have not been finally determined.
- (3) For the purposes of subsection (2)(c) above a question referred is finally determined when—
- (a) it has been determined by the Special Commissioners, and
 - (b) there is no further possibility of that determination being varied or set aside (disregarding any power to give permission to appeal out of time).

Effect of determination

- 28ZE(1) The determination of a question referred to the Special Commissioners under section 28ZA of this Act is binding on the parties to the referral in the same way, and to the same extent, as a decision on a preliminary issue in an appeal.
- (2) The determination shall be taken into account by an officer of the Board—
- (a) in reaching his conclusions on the enquiry, and
 - (b) in formulating any amendments of the return required to give effect to those conclusions.
- (3) Any right of appeal under section 31(1)(a), (b) or (c) of this Act may not be exercised so as to reopen the question determined except to the extent (if any) that it could be reopened if it had been determined as a preliminary issue in that appeal.”
- (2) This paragraph applies—
- (a) where the notice of enquiry is given after the passing of this Act, or
 - (b) where the enquiry is in progress immediately before the passing of this Act.

For the purposes of paragraph (b) an enquiry is in progress until the officer's enquiries fall to be treated as completed under section 28A(5) or, as the case may be, section 28B(5) of the Taxes Management Act 1970 (c. 9) (as those provisions had effect apart from this Schedule).

Enquiry into company tax return

- 7 (1) In Part 4 of Schedule 18 to the Finance Act 1998 (c. 36) (enquiry into company tax return), after paragraph 31 insert—

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

“Referral of questions to Special Commissioners during enquiry

- 31A (1) At any time when an enquiry is in progress into a company’s tax return any question arising in connection with the subject-matter of the enquiry may be referred to the Special Commissioners for their determination.
- (2) Notice of referral must be given—
- (a) jointly by the company and the Inland Revenue,
 - (b) in writing,
 - (c) to the Special Commissioners.
- (3) The notice of referral must specify the question or questions being referred.
- (4) More than one notice of referral may be given under this paragraph in relation to an enquiry.
- (5) For the purposes of this paragraph the period during which an enquiry is in progress is the whole of the period—
- (a) beginning with the day on which the Inland Revenue give notice of enquiry into the return, and
 - (b) ending with the day on which the enquiry is completed.

Withdrawal of notice of referral

- 31B (1) The Inland Revenue or the company may withdraw a notice of referral under paragraph 31A by notice in accordance with this paragraph.
- (2) Notice of withdrawal must be given—
- (a) in writing,
 - (b) to the other party to the referral and to the Special Commissioners,
 - (c) before the first hearing by the Special Commissioners in relation to the referral.

Effect of referral on enquiry

- 31C (1) While proceedings on a referral under paragraph 31A are in progress in relation to an enquiry—
- (a) no closure notice shall be given in relation to the enquiry, and
 - (b) no application may be made for a direction to give such a notice.
- (2) For the purposes of this paragraph proceedings on a referral are in progress where—
- (a) notice of referral has been given,
 - (b) the notice has not been withdrawn, and
 - (c) the questions referred have not been finally determined.
- (3) For the purposes of sub-paragraph (2)(c) a question referred is finally determined when—
- (a) it has been determined by the Special Commissioners, and

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (b) there is no further possibility of that determination being varied or set aside (disregarding any power to grant permission to appeal out of time).

Effect of determination

- 31D (1) The determination of a question referred to the Special Commissioners under paragraph 31A is binding on the parties to the referral in the same way, and to the same extent, as a decision on a preliminary issue in an appeal.
- (2) The determination shall be taken into account by the Inland Revenue in reaching their conclusions on the enquiry.
- (3) Any right of appeal under paragraph 30 or 34(3) may not be exercised so as to reopen the question determined except to the extent (if any) that it could be reopened if it had been determined as a preliminary issue in that appeal.”
- (2) This paragraph applies in relation to an enquiry under Part 4 of Schedule 18 to the Finance Act 1998 (c. 36)—
- (a) in relation to which notice of enquiry is given after the passing of this Act, or
- (b) which is in progress (within the meaning of paragraph 31(5) of that Schedule) immediately before the passing of this Act.

PART 4

PROCEDURE ON COMPLETION OF ENQUIRY

Procedure on completion of enquiry into personal or trustee return

- 8 (1) For section 28A of the Taxes Management Act 1970 (c. 9) (amendment of self-assessment where enquiries made) substitute—

“28A Completion of enquiry into personal or trustee return

- (1) An enquiry under section 9A(1) of this Act is completed when an officer of the Board by notice (a “closure notice”) informs the taxpayer that he has completed his enquiries and states his conclusions.

In this section “the taxpayer” means the person to whom notice of enquiry was given.

- (2) A closure notice must either—
- (a) state that in the officer’s opinion no amendment of the return is required, or
- (b) make the amendments of the return required to give effect to his conclusions.
- (3) A closure notice takes effect when it is issued.
- (4) The taxpayer may apply to the Commissioners for a direction requiring an officer of the Board to issue a closure notice within a specified period.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (5) Any such application shall be heard and determined in the same way as an appeal.
 - (6) The Commissioners hearing the application shall give the direction applied for unless they are satisfied that there are reasonable grounds for not issuing a closure notice within a specified period.”
- (2) This paragraph applies—
- (a) where the notice of enquiry is given after the passing of this Act, or
 - (b) where the enquiry is in progress immediately before the passing of this Act.

For the purposes of paragraph (b) an enquiry is in progress until the officer’s enquiries fall to be treated as completed under section 28A(5) of the Taxes Management Act 1970 (c. 9) (as that provision had effect apart from this Schedule).

Procedure on completion of enquiry into partnership return

- 9 (1) For section 28B of the Taxes Management Act 1970 (amendment of partnership statement where enquiries made) substitute—

“28B Completion of enquiry into partnership return

- (1) An enquiry under section 12AC(1) of this Act is completed when an officer of the Board by notice (a “closure notice”) informs the taxpayer that he has completed his enquiries and states his conclusions.

In this section “the taxpayer” means the person to whom notice of enquiry was given or his successor.

- (2) A closure notice must either—
- (a) state that in the officer’s opinion no amendment of the return is required, or
 - (b) make the amendments of the return required to give effect to his conclusions.
- (3) A closure notice takes effect when it is issued.
- (4) Where a partnership return is amended under subsection (2) above, the officer shall by notice to each of the partners amend—
- (a) the partner’s return under section 8 or 8A of this Act, or
 - (b) the partner’s company tax return,
- so as to give effect to the amendments of the partnership return.
- (5) The taxpayer may apply to the Commissioners for a direction requiring an officer of the Board to issue a closure notice within a specified period.
- (6) Any such application shall be heard and determined in the same way as an appeal.
- (7) The Commissioners hearing the application shall give the direction applied for unless they are satisfied that there are reasonable grounds for not issuing a closure notice within a specified period.”.

- (2) This paragraph applies—

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (a) where the notice of enquiry is given after the passing of this Act, or
- (b) where the enquiry is in progress immediately before the passing of this Act.

For the purposes of paragraph (b) an enquiry is in progress until the officer's enquiries fall to be treated as completed under section 28B(5) of the Taxes Management Act 1970 (c. 9) (as that provision had effect apart from this Schedule).

Procedure on completion of enquiry into claims, &c. not included in returns

- 10 (1) Schedule 1A to the Taxes Management Act 1970 (claims, &c. not included in returns) is amended as follows.
- (2) For paragraph 7 (amendments of claims where enquiries made) substitute—

“Completion of enquiry into claim

- 7 (1) An enquiry under paragraph 5 above is completed when an officer of the Board by notice (a “closure notice”) informs the claimant that he has completed his enquiries and states his conclusions.
- (2) In the case of a claim for discharge or repayment of tax, the closure notice must either—
 - (a) state that in the officer's opinion no amendment of the claim is required, or
 - (b) if in the officer's opinion the claim is insufficient or excessive, amend the claim so as to make good or eliminate the deficiency or excess.

In the case of an enquiry falling within paragraph 5(1)(b) above, paragraph (b) above only applies so far as the deficiency or excess is attributable to the claimant's amendment.

- (3) In the case of a claim that is not a claim for discharge or repayment of tax, the closure notice must either—
 - (a) allow the claim, or
 - (b) disallow the claim, wholly or to such extent as appears to the officer appropriate.
 - (4) A closure notice takes effect when it is issued.
 - (5) The claimant may apply to the Commissioners for a direction requiring an officer of the Board to issue a closure notice within a specified period.
 - (6) Any such application shall be heard and determined in the same way as an appeal.
 - (7) The Commissioners hearing the application shall give the direction applied for unless they are satisfied that there are reasonable grounds for not issuing a closure notice within a specified period.
 - (8) In relation to a partnership claim, references in this paragraph to the claimant are to the person who made the claim or his successor.”.
- (3) This paragraph applies—

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (a) where the notice of enquiry is given after the passing of this Act, or
- (b) where the enquiry is in progress immediately before the passing of this Act.

For the purposes of paragraph (b) an enquiry is in progress until the officer's enquiries fall to be treated as completed under paragraph 7(4) of Schedule 1A to the Taxes Management Act 1970 (c. 9) (as that provision had effect apart from this Schedule).

PART 5

MINOR AND CONSEQUENTIAL AMENDMENTS

Appeals

- 11 (1) For section 31 of the Taxes Management Act 1970 (right of appeal) substitute—

“31 Appeals: right of appeal

- (1) An appeal may be brought against—
 - (a) any amendment of a self-assessment under section 9C of this Act (amendment by Revenue during enquiry to prevent loss of tax),
 - (b) any conclusion stated or amendment made by a closure notice under section 28A or 28B of this Act (amendment by Revenue on completion of enquiry into return),
 - (c) any amendment of a partnership return under section 30B(1) of this Act (amendment by Revenue where loss of tax discovered), or
 - (d) any assessment to tax which is not a self-assessment.
- (2) An appeal under subsection (1)(a) above against an amendment of a self-assessment made while an enquiry is in progress shall not be heard and determined until the enquiry is completed.
- (3) A determination under section 9D or 12AE of this Act (choice between different Cases of Schedule D) may not be questioned on an appeal under this section.
- (4) This section has effect subject to any express provision in the Taxes Acts, including in particular any provision making one kind of assessment conclusive in an appeal against another kind of assessment.

31A Appeals: notice of appeal

- (1) Notice of an appeal under section 31 of this Act must be given—
 - (a) in writing,
 - (b) within 30 days after the specified date,
 - (c) to the relevant officer of the Board.
- (2) In relation to an appeal under section 31(1)(a) or (c) of this Act—
 - (a) the specified date is the date on which the notice of amendment was issued, and
 - (b) the relevant officer of the Board is the officer by whom the notice of amendment was given.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (3) In relation to an appeal under section 31(1)(b) of this Act—
 - (a) the specified date is the date on which the closure notice was issued, and
 - (b) the relevant officer of the Board is the officer by whom the closure notice was given.
- (4) In relation to an appeal under section 31(1)(d) of this Act—
 - (a) the specified date is the date on which the notice of assessment was issued, and
 - (b) the relevant officer of the Board is the officer by whom the notice of assessment was given.
- (5) The notice of appeal must specify the grounds of appeal.
- (6) On the hearing of the appeal the Commissioners may allow the appellant to put forward grounds not specified in the notice, and take them into consideration, if satisfied that the omission was not wilful or unreasonable.

31B Appeals: appeals to General Commissioners

- (1) An appeal under section 31(1) of this Act shall be to the General Commissioners, subject to—
 - (a) section 31C of this Act (appeals to be brought to Special Commissioners),
 - (b) any provision made by or under Part 5 of this Act, and
 - (c) any other provision of the Taxes Acts providing for an appeal to be brought to the Special Commissioners to the exclusion of the General Commissioners.
- (2) Subsection (1) above has effect subject to any election under section 31D of this Act (election to take appeal to Special Commissioners).

31C Appeals: appeals to Special Commissioners

- (1) Unless the Special Commissioners otherwise direct, an appeal under section 31(1)(a), (b) or (c) of this Act shall be to the Special Commissioners if—
 - (a) the appeal relates to a return in relation to which notice of enquiry has been given under section 9A(1) or 12AC(1) of this Act, and
 - (b) notice has been given under section 28ZA of this Act referring a question relating to the subject-matter of that enquiry to the Special Commissioners.

This applies even if the notice of referral was subsequently withdrawn.

- (2) An appeal under section 31(1)(d) of this Act (appeal against assessment other than self-assessment) shall be to the Special Commissioners if the assessment was made—
 - (a) by the Board, or
 - (b) under section 350 of the principal Act.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

31D Appeals: election to bring appeal before Special Commissioners

- (1) The appellant may elect (in accordance with section 46(1) of this Act) to bring before the Special Commissioners an appeal under section 31(1) of this Act that would otherwise be to the General Commissioners.
 - (2) Any such election above shall be disregarded if—
 - (a) the appellant and the inspector or other officer of the Board agree in writing, at any time before the determination of the appeal, that it is to be disregarded, or
 - (b) the General Commissioners have given a direction under subsection (5) below and have not revoked it.
 - (3) Where an election has been made under subsection (1) above, the inspector or other officer of the Board may refer the election to the General Commissioners.
 - (4) A reference under subsection (3) above must be made—
 - (a) after giving notice to the appellant, and
 - (b) before the determination of the appeal in respect of which the election has been made.
 - (5) On a reference under subsection (3) above the Commissioners shall, unless they are satisfied that the appellant has arguments to present or evidence to adduce on the merits of the appeal, direct that the election be disregarded.
 - (6) If at any time after giving a direction under subsection (5) above (but before the determination of the appeal) the General Commissioners are satisfied that the appellant has arguments to present or evidence to adduce on the merits of the appeal, they shall revoke the direction.
 - (7) A decision to give or revoke a direction under subsection (5) above shall be final.”.
- (2) This paragraph applies in relation to—
- (a) amendments of a self-assessment under section 9C of the Taxes Management Act 1970 (c. 9) as inserted by paragraph 4 of this Schedule,
 - (b) closure notices issued under section 28A(1) or 28B(1) of that Act as substituted by paragraphs 8 and 9 of this Schedule,
 - (c) amendments of partnership returns under section 30B(1) of that Act where notice of the amendment is issued after the passing of this Act, and
 - (d) assessments to tax which are not self-assessments where the notice of the assessment is issued after the passing of this Act.
- 12 (1) Schedule 1A to the Taxes Management Act 1970 (c. 9) (claims etc. not included in returns) is amended as follows.
- (2) For paragraph 9(1) (appeals against amendments under paragraph 7) substitute—
- “(1) An appeal may be brought against—
- (a) any conclusion stated or amendment made by a closure notice under paragraph 7(2) above, or
 - (b) any decision contained in a closure notice under paragraph 7(3) above.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (1A) Notice of the appeal must be given—
- (a) in writing,
 - (b) within 30 days after the date on which the closure notice was issued,
 - (c) to the officer of the Board by whom the closure notice was given.”.
- (3) In paragraph 9(2) (extended time limit for appeal) for “(1)” substitute “ (1A)(b) ”.
- (4) In paragraph 9(3) (Commissioners’ power to vary amendment) for “amendment under paragraph 7(3) above” substitute “ amendment made by a closure notice under paragraph 7(2) above ”.
- (5) In paragraph 9(4) (application of paragraph 8 where amendment varied) for “an amendment made under paragraph 7(3) above” substitute “ any such amendment ”.
- (6) In paragraph 9(5) (claims disallowed) for “specified in a notice under paragraph 7(3A)” substitute “ which was the subject of a decision contained in a closure notice under paragraph 7(3) ”.
- (7) In paragraph 10 (appeals to be heard by the Special Commissioners) for “an amendment under paragraph 7(3) above of” substitute “ any conclusion stated or amendment made by a closure notice under paragraph 7(2) above relating to ”.
- (8) This paragraph applies in relation to closure notices issued under paragraph 7 of Schedule 1A to the Taxes Management Act 1970 as substituted by paragraph 10 of this Schedule.
- 13 (1) Part 11 of Schedule 18 to the Finance Act 1998 (c. 36) (company tax returns: supplementary provisions) is amended as follows.
- (2) In paragraph 93 (general jurisdiction of Special or General Commissioners) after sub-paragraph (2) insert—
- “(2A) Unless the Special Commissioners otherwise direct, an appeal under paragraph 30 or 34(3) shall be to the Special Commissioners if—
- (a) the appeal relates to a return in relation to which notice of enquiry has been given under paragraph 24, and
 - (b) notice has been given under paragraph 31A referring a question relating to the subject-matter of that enquiry to the Special Commissioners.
- This applies even if the notice of referral was subsequently withdrawn.”.

Due date for payment after amendment or correction of return

- 14 (1) Section 59B of the Taxes Management Act 1970 (c. 9) (payment of income tax and capital gains tax) is amended as follows.
- (2) In subsection (4A)(a)—
- (a) for “28A(5)” substitute “ 28A(1) ”, and
 - (b) for “the officer’s enquiries are treated as” substitute “ the enquiry is ”.
- (3) For subsection (5) substitute—

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

“(5) An amount of tax which is payable or repayable as a result of the amendment or correction of a self-assessment under—

- (a) section 9ZA, 9ZB, 9C or 28A of this Act (amendment or correction of return under section 8 or 8A of this Act), or
- (b) section 12ABA(3)(a), 12ABB(6)(a), 28B(4)(a), 30B(2)(a), 33A(4)(a) or 50(9)(a) of this Act (amendment of partner’s return to give effect to amendment or correction of partnership return),

is payable (or repayable) on or before the day specified by the relevant provision of Schedule 3ZA to this Act.”.

15 After Schedule 3 to the Taxes Management Act 1970 insert—

“SCHEDULE
3ZA

DATE BY WHICH PAYMENT TO BE MADE AFTER
AMENDMENT OR CORRECTION OF SELF-ASSESSMENT

General

- 1 (1) This Schedule specifies the day by which tax has to be paid (or repaid) following the amendment or correction of a self-assessment.
- (2) If in any case the general rules in section 59B(3) and (4) of this Act give a later day, those rules apply instead.
- (3) The provisions of this Schedule have effect subject to section 55(6) and (9) of this Act (provisions as to postponement of payment, etc. in case of appeal).

Amendment of personal or trustee return by the taxpayer

- 2 (1) This paragraph applies where an amount of tax is payable or repayable as a result of the amendment of a self-assessment under section 9ZA of this Act (amendment of personal or trustee return by taxpayer).
- (2) Subject to sub-paragraph (3) below, the amount is payable (or repayable) on or before the day following the end of the period of 30 days beginning with the day on which the notice of amendment was given.
- (3) If section 9B(3) of this Act applies (amendment of self-assessment by taxpayer during enquiry: deferral of effect), then—
 - (a) if the amendment is taken into account as mentioned in paragraph (a) (i) of that subsection, paragraph 5 below (amendment of personal or trustee return by closure notice) applies accordingly; and
 - (b) if the amendment takes effect under paragraph (b) of that subsection on the issue of the closure notice, the amount is payable (or repayable) on or before the day following the end of the period of 30 days beginning with the day on which the closure notice was given.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

Correction of personal or trustee return by Revenue

- 3 (1) This paragraph applies where an amount of tax is payable or repayable as a result of the correction of a self-assessment under section 9ZB of this Act (correction of personal or trustee return by the Revenue).
- (2) The amount is payable (or repayable) on or before the day following the end of the period of 30 days beginning with the day on which the notice of correction was given.

Amendment of personal or trustee return to prevent loss of tax

- 4 (1) This paragraph applies where an amount of tax is payable or repayable as a result of the amendment of a self-assessment under section 9C of this Act (amendment of personal or trustee return by Revenue to prevent loss of tax).
- (2) The amount is payable (or repayable) on or before the day following the end of the period of 30 days beginning with the day on which the notice of amendment was given.

Amendment of personal or trustee return by closure notice

- 5 (1) This paragraph applies where an amount of tax is payable or repayable as a result of the amendment of a self-assessment under section 28A of this Act (amendment of personal or trustee return by closure notice following enquiry).
- (2) The amount is payable (or repayable) on or before the day following the end of the period of 30 days beginning with the day on which the closure notice was given.

Amendment consequential on amendment of partnership return by taxpayer

- 6 (1) This paragraph applies where an amount of tax is payable or repayable as a result of the amendment of a self-assessment under section 12ABA(3)(a) of this Act (consequential amendment of partner's personal or trustee return where partnership return amended by taxpayer).
- (2) The amount is payable (or repayable) on or before the day following the end of the period of 30 days beginning with the day on which the notice under section 12ABA(3)(a) of this Act was given.

Amendment consequential on correction of partnership return by Revenue

- 7 (1) This paragraph applies where an amount of tax is payable or repayable as a result of the amendment of a self-assessment under section 12ABB(6)(a) of this Act (consequential amendment of partner's personal or trustee return where partnership return corrected by Revenue).
- (2) The amount is payable (or repayable) on or before the day following the end of the period of 30 days beginning with the day on which the notice under section 12ABB(6)(a) of this Act was given.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

Amendment consequential on amendment of partnership return by closure notice

- 8 (1) This paragraph applies where an amount of tax is payable or repayable as a result of the amendment of a self-assessment under section 28B(4)(a) of this Act (consequential amendment of partner's personal or trustee return where partnership return amended by closure notice).
- (2) The amount is payable (or repayable) on or before the day following the end of the period of 30 days beginning with the day on which the notice under section 28B(4)(a) of this Act was given.

Amendment consequential on amendment of partnership return to prevent loss of tax

- 9 (1) This paragraph applies where an amount of tax is payable or repayable as a result of the amendment of a self-assessment under section 30B(2)(a) of this Act (consequential amendment of partner's personal or trustee return where partnership return amended by Revenue to prevent loss of tax).
- (2) The amount is payable (or repayable) on or before the day following the end of the period of 30 days beginning with the day on which the notice under section 30B(2)(a) of this Act was given.

Amendment consequential on amendment of partnership return by way of error or mistake relief

- 10 (1) This paragraph applies where an amount of tax is payable or repayable as a result of the amendment of a self-assessment under section 33A(4)(a) of this Act (consequential amendment of partner's personal or trustee return where partnership return amended by Revenue to afford relief in case of error or mistake).
- (2) The amount is payable (or repayable) on or before the day following the end of the period of 30 days beginning with the day on which the notice under section 33A(4)(a) of this Act was given.

Amendment consequential on reduction or increase on appeal of amounts stated in partnership statement

- 11 (1) This paragraph applies where an amount of tax is payable or repayable as a result of the amendment of a self-assessment under section 50(9)(a) of this Act (consequential amendment of partner's personal or trustee return where partnership statement amended by Revenue following decision on appeal).
- (2) The amount is payable (or repayable) on or before the day following the end of the period of 30 days beginning with the day on which the notice under section 50(9)(a) of this Act was given."
- 16 (1) Paragraphs 14 and 15 above apply where the relevant day is, or is after, the day on which this Act is passed.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (2) In sub-paragraph (1) the “relevant day” means the first day of the period of 30 days specified in the relevant provision of Schedule 3ZA to the Taxes Management Act 1970 (c. 9) (as inserted by paragraph 15 above).

Effect of return on recovery proceedings

- 17 (1) In section 28C of the Taxes Management Act 1970 (determination of tax in absence of personal or trustee return), in subsection (4) (effect of subsequent self-assessment on recovery proceedings), for “an officer of the Board has commenced any proceedings” substitute “proceedings have been commenced”.
- (2) In paragraph 40 of Schedule 18 to the Finance Act 1998 (c. 36) (determination of tax in absence of company tax return), in sub-paragraph (4) (effect of subsequent self-assessment on recovery proceedings), for “the Inland Revenue have begun proceedings” substitute “proceedings have been begun”.
- (3) This paragraph applies in relation to proceedings begun after the passing of this Act.

Other amendments of the Taxes Management Act 1970

- 18 (1) Section 12AA of the Taxes Management Act 1970 (partnership return) is amended as follows.
- (2) After subsection (10) insert—
- “(10A) In this Act a “partnership return” means a return in pursuance of a notice under subsection (2) or (3) above.”.
- (3) In subsection (11) for “a return in pursuance of a notice under subsection (2) or (3) above” substitute “a partnership return”.
- 19 In section 12AB(1) of the Taxes Management Act 1970 (partnership return to include partnership statement), for “return under section 12AA of this Act” substitute “partnership return”.
- 20 (1) Section 12B of the Taxes Management Act 1970 (preservation of records) is amended as follows.
- (2) In subsection (1)(b)(i)—
- (a) omit “or any amendment of the return”,
- (b) for “28A(5) or 28B(5)” substitute “28A(1) or 28B(1)”, and
- (c) omit “treated as”.
- (3) In subsection (1)(b)(ii) omit “or any amendment of the return”.
- 21 (1) Section 19A of the Taxes Management Act 1970 (c. 9) (power to call for documents for purposes of certain enquiries) is amended as follows.
- (2) For subsection (1) substitute—
- “(1) This section applies where an officer of the Board gives notice of enquiry under section 9A(1) or 12AC(1) of this Act to a person (“the taxpayer”).”.
- (3) In subsection (2)—
- (a) for “enquiring into the return or amendment” substitute “the enquiry”, and

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (b) in paragraph (a), for “the return is incorrect or incomplete or the amendment is incorrect, and” substitute—

“—

- (i) the return is incorrect or incomplete, or
- (ii) in the case of an enquiry which is limited under section 9A(5) or 12AC(5) of this Act, the amendment to which the enquiry relates is incorrect, and”.

- (4) In subsection (2A)(a) for “28A(7A)(d) or 28B(6A)(d)” substitute “ 9D(1)(c) or 12AE(1)(c) ”.

- (5) In subsection (5) for “any pending appeal by him” substitute—

“—

- (i) any pending appeal by him, or
- (ii) any pending referral to the Special Commissioners under section 28ZA of this Act to which he is a party.”.

- 22 In section 29(7)(a)(ii) of the Taxes Management Act 1970 (assessment where loss of tax discovered), for “any return with respect to the partnership under section 12AA of this Act” substitute “ any partnership return with respect to the partnership ”.

- 23 (1) Section 30 of the Taxes Management Act 1970 (recovery of overpayment of tax, etc.) is amended as follows.

- (2) In subsection (5)(b)—

- (a) omit “, or an amendment of such a return,”,
- (b) for “28A(5)” substitute “ 28A(1) ”, and
- (c) for “the officer’s enquiries are treated as” substitute “ the enquiry is ”.

- 24 (1) Section 30B of the Taxes Management Act 1970 (amendment of partnership statement where loss of tax discovered) is amended as follows.

- (2) In subsection (1) for “amend the statement” substitute “ amend the partnership return ”.

- (3) For subsection (2) substitute—

“(2) Where a partnership return is amended under subsection (1) above, the officer shall by notice to each of the relevant partners amend—

- (a) the partner’s return under section 8 or 8A of this Act, or
- (b) the partner’s company tax return,

so as to give effect to the amendments of the partnership return.”.

- (4) In subsections (6)(a) and (7)(b) for “return under section 12AA of this Act” substitute “ partnership return ”.

- 25 (1) Section 33A of the Taxes Management Act 1970 (c. 9) (error or mistake in partnership statement) is amended as follows.

- (2) In the sidenote and in subsections (1), (3), (5) and (9) for “partnership statement” substitute “ partnership return ”.

- (3) For subsection (4) substitute—

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- “(4) Where a partnership return is amended under subsection (3) above, the Board shall by notice to each of the relevant partners amend—
- (a) the partner’s return under section 8 or 8A of this Act, or
 - (b) the partner’s company tax return,
- so as to give effect to the amendments of the partnership return.”.
- 26 In section 42(6)(a) of the Taxes Management Act 1970 (procedure for making claims, etc.), for “return under section 12AA of this Act” substitute “ partnership return ”.
- 27 (1) Section 46B(2) of the Taxes Management Act 1970 (questions to be determined by Special Commissioners: appeals to which the section applies) is amended as follows.
- (2) For paragraphs (a), (b) and (c) substitute—
- “(a) an appeal against an amendment of a self-assessment under section 9C of this Act or paragraph 30 of Schedule 18 to the Finance Act 1998;
 - (aa) an appeal against an amendment of a return under paragraph 34(2) of Schedule 18 to the Finance Act 1998;
 - (b) an appeal against a conclusion stated or amendment made by a closure notice under section 28A or 28B of this Act;
 - (c) an appeal against an amendment of a partnership return under section 30B(1) of this Act;”.
- (3) In paragraph (e), for “an amendment under paragraph 7(3) of Schedule 1A to this Act of” substitute “ a conclusion stated or amendment made by a closure notice under paragraph 7(2) of Schedule 1A to this Act relating to ”.
- (4) In paragraph (f), for “notice under paragraph 7(3A)” substitute “ closure notice under paragraph 7(3) ”.
- 28 (1) Section 46C of the Taxes Management Act 1970 (jurisdiction of Special Commissioners over certain claims) is amended as follows.
- (2) In subsection (2) for paragraphs (a) and (b) substitute—
- “(a) an appeal against an amendment of a self-assessment under section 9C of this Act or paragraph 30 of Schedule 18 to the Finance Act 1998;
 - (b) an appeal against an amendment of a return under paragraph 34(2) of Schedule 18 to the Finance Act 1998;
 - (c) an appeal against a conclusion stated or amendment made by a closure notice under section 28A or 28B of this Act;
 - (d) an appeal against an amendment of a partnership return under section 30B(1) of this Act.”.
- 29 (1) Section 46D(2) of the Taxes Management Act 1970 (c. 9) (questions to be determined by Lands Tribunal: appeals to which the section applies) is amended as follows.
- (2) For paragraphs (a), (b) and (c) substitute—
- “(a) an appeal against an amendment of a self-assessment under section 9C of this Act or paragraph 30 of Schedule 18 to the Finance Act 1998;
 - (aa) an appeal against an amendment of a return under paragraph 34(2) of Schedule 18 to the Finance Act 1998;

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (b) an appeal against a conclusion stated or amendment made by a closure notice under section 28A or 28B of this Act;
 - (c) an appeal against an amendment of a partnership return under section 30B(1) of this Act;”.
 - (3) In paragraph (e), for “an amendment under paragraph 7(3) of Schedule 1A to this Act of” substitute “a conclusion stated or amendment made by a closure notice under paragraph 7(2) of Schedule 1A to this Act relating to”.
 - (4) In paragraph (f), for “notice under paragraph 7(3A)” insert “closure notice under paragraph 7(3)”.
- 30 (1) Section 50 of the Taxes Management Act 1970 (procedure on appeals) is amended as follows.
 - (2) In subsection (6)—
 - (a) in paragraph (a), omit the words from “by reason of” to “Finance Act 1998”, and
 - (b) in paragraph (b), omit the words from “by reason of” to “this Act”.
 - (3) In subsection (7)—
 - (a) in paragraph (a), omit the words from “which has been amended” to the end of the paragraph, and
 - (b) in paragraph (b), omit the words from “which has been amended” to “this Act”.
 - (4) In subsection (7A) for “specified in a notice under section 28A(4A)” substitute “which was the subject of a decision contained in a closure notice under section 28A”.
 - (5) In subsection (9) for paragraph (a) substitute—
 - “(a) the partner’s return under section 8 or 8A of this Act, or”.
- 31 (1) Section 55 of the Taxes Management Act 1970 (recovery of tax) is amended as follows.
 - (2) For subsection (1)(a) substitute—
 - “(a) an amendment of a self-assessment—
 - (i) under section 9C of this Act, or
 - (ii) under paragraph 30 or 34(2) of Schedule 18 to the Finance Act 1998,
 - (aa) a conclusion stated or amendment made by a closure notice under section 28A or 28B of this Act;”.
 - (3) In subsection (2) for “by the amendment or assessment” substitute—
 - “—
 - (a) by the amendment or assessment, or
 - (b) where the appeal is against a conclusion stated by a closure notice, as a result of that conclusion;”.
 - (4) In subsection (3)—
 - (a) after “or assessment” insert “, or as a result of the conclusion stated in the closure notice;”, and

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (b) for “the date of the issue of the notice of amendment or assessment” substitute “the specified date”.
- (5) In subsection (3A)—
- (a) for “the date of the issue of the notice of amendment or assessment” substitute “the specified date”, and
- (b) after “the amendment or assessment” insert “, or as a result of the conclusion stated in the closure notice”.
- (6) In subsection (9)(a) after “the amendment or assessment” insert “, or as a result of the conclusion stated in the closure notice,”.
- (7) For subsection (10) substitute—
- “(10) In subsection (3) above, “inspector” means the inspector or other officer of the Board—
- (a) by whom the notice of amendment or assessment was issued, or
- (b) in the case of an appeal against a conclusion stated or amendment made by a closure notice, by whom the closure notice was issued.
- (10A) In this section “the specified date” means the date of—
- (a) the issue of the notice of amendment or assessment, or
- (b) in the case of an appeal against a conclusion stated or amendment made by a closure notice, the issue of the closure notice.
- (10B) References in this section to an agreement being come to with an appellant, and to the giving of notice to or by an appellant, include references to an agreement being come to with, and the giving of notice to or by, a person acting on behalf of the appellant in relation to the appeal.”.
- 32 In section 95A(1)(a) of the Taxes Management Act 1970 (c. 9) (incorrect partnership return or accounts)—
- (a) in sub-paragraph (i), for “incorrect return of a kind mentioned in section 12AA of this Act” substitute “incorrect partnership return”; and
- (b) in sub-paragraph (ii), for “return of such a kind” substitute “ partnership return ”.
- 33 (1) Section 118(1) of the Taxes Management Act 1970 (interpretation) is amended as follows.
- (2) At the appropriate place insert—
- ““partnership return” has the meaning given by section 12AA(10A) of this Act,”.
- (3) In the definition of “successor” for “a return under section 12AA of this Act” substitute “ a partnership return ”.
- 34 (1) Schedule 1A to the Taxes Management Act 1970 (claims etc. not included in returns) is amended as follows.
- (2) In paragraph 2A(2)(a) (keeping and preserving records until enquiries completed)—
- (a) for “7(4)” substitute “ 7(1) ”, and
- (b) omit “treated as”.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (3) In paragraph 4(3)(a) (giving effect to claims and amendments where there is an enquiry)—
 - (a) for “7(4)” substitute “7(1)”, and
 - (b) for “the officer’s enquiries are treated as” substitute “the enquiry is”.
- (4) In paragraph 8(1) (giving effect to amendments of non-partnership claim) for “of a claim other than a partnership claim being amended under paragraph 7(2) or (3)” substitute “after the date of issue of a closure notice amending a claim other than a partnership claim under paragraph 7(2)”.
- (5) In paragraph 8(2) (giving effect to amendments of partnership claim) for “of a claim being amended under paragraph 7(2) or (3)” substitute “after the date of issue of a closure notice amending a partnership claim under paragraph 7(2)”.

Consequential amendments of other enactments

- 35 (1) The Taxes Act 1988 is amended as follows.
- (2) In section 379A(3) (Schedule A losses: claim for relief) for “self-assessment previously made by the claimant under section 9” substitute “return made by the claimant under section 8 or 8A”.
 - (3) In Schedule 28AA (provision not at arm’s length) in paragraph 6(7), in the definition of “relevant notice”—
 - (a) for paragraph (a) substitute—
 - “(a) a closure notice under section 28A(1) or 28B(1) of the Management Act in relation to an enquiry into a return under section 8 or 8A of that Act or into a partnership return;”;
 - (b) in paragraph (e) for “partnership statement” substitute “partnership return”.
 - (4) In paragraph 6(7) of that Schedule, in the definition of “voluntary amendment” for the words from “any amendment” to the end substitute—

“—

 - (a) an amendment under section 9ZA or 12ABA of the Management Act (amendment of personal, trustee or partnership return by taxpayer), or
 - (b) an amendment under Schedule 18 to the Finance Act 1998 other than one made in response to the giving of a relevant notice.”.

F136

Textual Amendments

F1 Sch. 29 para. 36 repealed (with effect in accordance with Sch. 11 Pt. 2(11) Note of the amending Act) by Finance (No. 2) Act 2005 (c. 22), Sch. 11 Pt. 2(11)

- 37 (1) In Schedule 22 to the Finance Act 1995 (c. 4) (prevention of exploitation of self-assessment transitional provisions), Part 3 (procedural and other provisions) is amended as follows.
- (2) In paragraph 11(2) for “partnership statement” substitute “partnership return”.

Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)

- (3) In paragraph 11(3)—
- (a) in paragraph (a)—
 - (i) for “an assessment under section 9 of the Management Act” substitute “ a return under section 8 or 8A of the Management Act (personal or trustee return) ”;
 - (ii) for “partnership statement under section 12AB of that Act” substitute “ partnership return ”; and
 - (iii) for “assessment or statement” substitute “return”; and
 - (b) for paragraph (b) substitute—

“(b) no such return has been so made.”.
- (4) In paragraph 12(1) for “an assessment made under section 9 of the Management Act (returns to include self-assessment)” substitute “ a return under section 8 or 8A of the Management Act (personal or trustee return) ”.
- (5) In paragraph 12(2)—
- (a) in paragraph (a)—
 - (i) for “an assessment under section 9 of the Management Act” substitute “ a return under section 8 or 8A of the Management Act (personal or trustee return) ”; and
 - (ii) for “that assessment” substitute “ that return ”; and
 - (b) for paragraph (b) substitute—

“(b) no such return has been so made.”.
- 38 (1) The Finance Act 1998 (c. 36) is amended as follows.
- (2) In section 110 (determinations requiring the sanction of the Board)—
- (a) in subsection (1)(b) for “partnership statement” substitute “ partnership return ”, and
 - (b) in subsection (9), for paragraph (a) of the definition of “closure notice” substitute—

“(a) a closure notice under section 28A(1) or 28B(1) of the Taxes Management Act 1970 in relation to an enquiry into a return under section 8 or 8A of that Act or into a partnership return; or”.
- (3) In section 111(6) (notice to potential claimants)—
- (a) for paragraph (a) substitute—

“(a) a closure notice under section 28A(1) or 28B(1) of the Taxes Management Act 1970 in relation to an enquiry into a return under section 8 or 8A of that Act or into a partnership return;”,

and
 - (b) in paragraph (e) for “partnership statement” substitute “ partnership return ”.
- (4) In paragraph 27 of Schedule 18 (notice to produce documents for purposes of enquiry into company return), in sub-paragraph (5) for “any pending appeal by the company” substitute—
- “—
- (a) any pending appeal by the company, or

Status: Point in time view as at 20/07/2005.

Changes to legislation: *There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29. (See end of Document for details)*

- (b) any pending referral to the Special Commissioners under paragraph 31A to which the company is a party.”.
- 39 In section 12(5) of the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2) (application of section 31(5A) to (5E) of the 1970 Act in relation to elections under section 12(4))—
- (a) for “(5A) to (5E) of section 31” substitute “ (2) to (7) of section 31D ”, and
- (b) for “subsection (4) of that section” substitute “ subsection (1) of that section ”.
- 40 In Article 11(5) of the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671) (application of section 31(5A) to (5E) of the 1970 Act in relation to elections under Article 11(4))—
- (a) for “(5A) to (5E) of section 31” substitute “ (2) to (7) of section 31D ”, and
- (b) for “subsection (4) of that section” substitute “ subsection (1) of that section ”.

Status:

Point in time view as at 20/07/2005.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2001, SCHEDULE 29.