

SCHEDULES

SCHEDULE 1

DISCLOSURE OF VALUE ADDED TAX AVOIDANCE SCHEMES

Amount of penalty

- 7 (1) Paragraph 11 (amount of penalty) is amended as follows.
- (2) In sub-paragraph (3)—
- (a) omit the word “and” at the end of paragraph (a), and
 - (b) after paragraph (b) insert “, and
 - (c) to the extent that—
 - (i) the case falls within paragraph 6(1)(c), and
 - (ii) the excess of the notional non-deductible tax of the taxable person for the relevant periods over his non-deductible tax for those periods is not represented by a corresponding amount which by virtue of paragraph (a) or (b) is part of the VAT saving,
the amount of the excess.”
- (3) In sub-paragraph (4), after “(3)(a)” insert “and (c)”.
- (4) After sub-paragraph (4) insert—
- “(5) In sub-paragraph (3)(c), “notional non-deductible tax”, in relation to a taxable person, means the amount that would, but for the scheme, have been the amount of his non-deductible tax.”