

---

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

---

# SCHEDULES

## SCHEDULE 1

### MINOR AND CONSEQUENTIAL AMENDMENTS

#### PART 2

#### OTHER ENACTMENTS

##### *Taxes Management Act 1970 (c. 9)*

242 The Taxes Management Act 1970 is amended as follows.

<sup>F1</sup>243 .....

.....

**Textual Amendments**

**F1** Sch. 1 para. 243 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 463**

<sup>F2</sup>244 .....

.....

**Textual Amendments**

**F2** Sch. 1 para. 244 omitted (21.7.2008 with effect in accordance with Sch. 1 para. 65 of the amending Act) by virtue of [Finance Act 2008 \(c. 9\)](#), **Sch. 1 para. 35**

245 (1) Amend section 12AB(1) (partnership return to include partnership statement) as follows.

(2) In paragraph (a)—

<sup>F3</sup>(a) .....

(b) omit sub-paragraph (iv) and the “and” immediately before it.

<sup>F4</sup>(3) .....

.....

**Textual Amendments**

**F3** [Sch. 1 para. 245\(2\)\(a\)](#) omitted (with effect in accordance with Sch. 1 para. 73 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), **Sch. 1 para. 63(18)**

**F4** [Sch. 1 para. 245\(3\)](#) omitted (with effect in accordance with Sch. 1 para. 73 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), **Sch. 1 para. 63(18)**

246 In section 12B(4A)(a) (records to be kept for purposes of returns) for sub-paragraph (ii) substitute—

---

*Changes to legislation:* There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

---

“(ii) section 495(1) or 975(2) or (4) of ITA 2007 (statements about deduction of income tax),”.

247 (1) Amend section 17 (interest paid or credited by banks etc without deduction of income tax or after deduction of income tax) as follows.

(2) In subsection (1) after “bank” insert “ or building society ”.

(3) In subsection (1A) for “section 840A of the principal Act” substitute “ section 991 of ITA 2007 ”.

(4) After subsection (6) insert—

“(7) In the application of this section in relation to building societies, references to interest include references to dividends.

For this purpose “dividend” includes any distribution (whether or not described as a dividend).”

(5) In the sidenote after “banks” insert “ , building societies ”.

248 In section 21(5A) (transactions in securities etc) for “Schedule 23A to the principal Act” substitute “ Chapter 2 of Part 11 or Chapter 9 of Part 15 of ITA 2007 ”.

249 In section 24(3A) (power to obtain information as to income from securities) for “section 840A of the principal Act” substitute “ section 991 of ITA 2007 ”.

F<sup>5</sup>250 .....

#### Textual Amendments

**F5** Sch. 1 para. 250 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), [Sch. 1 para. 463](#)

251 In section 36(3A) (fraudulent or negligent conduct)—

(a) after “section 257BA of the principal Act” insert “ or any of sections 47 to 49 of ITA 2007 ”, and

(b) for “(elections as to transfer of married couple's allowance)” substitute “ (tax reductions for married couples and civil partners: elections to transfer relief) ”.

252 (1) Amend section 37A (effect of assessment where allowances transferred) as follows.

(2) For “income tax reduction or deduction from total income” in both places where it occurs substitute “ deduction from net income or tax reduction ”.

(3) After “spouse” insert “ or civil partner ”.

(4) After “the principal Act” insert “ or section 39, 51 or 52 of ITA 2007 ”.

253 In section 42(7) (procedure for making claims etc)—

(a) in paragraph (a) omit “723(3),”,

(b) omit “and” at the end of paragraph (d), and

(c) after paragraph (e) insert “and

(f) sections 668 and 669 of ITA 2007.”

254 In section 43A(2A) (further assessments: claims etc)—

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

- (a) in paragraph (a) after “section 257BA of the principal Act” insert “ or any of sections 47 to 49 of ITA 2007 ”,
- (b) in paragraph (a) for “(election as to transfer of married couple's allowance)” substitute “(tax reductions for married couples and civil partners: elections to transfer relief)”, <sup>F6</sup>...
- <sup>F6</sup>(c) .....

**Textual Amendments**

**F6** Sch. 1 para. 254(c) and preceding word repealed (31.1.2013) by [Statute Law \(Repeals\) Act 2013 \(c. 2\)](#), s. 3(2), **Sch. 1 Pt. 10** Group 1

<sup>F7</sup>255 .....

**Textual Amendments**

**F7** Sch. 1 para. 255 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 463**

<sup>F8</sup>256 .....

**Textual Amendments**

**F8** Sch. 1 para. 256 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 463**

257 In section 55(1) (recovery of tax not postponed)—

- (a) omit paragraph (c), and
- (b) in paragraph (d) for “that Act” substitute “ the principal Act ”.

258 For section 87 (interest on income tax on company payments) substitute—

**“87 Interest on overdue income tax deducted at source**

- (1) Income tax which is assessable under Chapter 15 of Part 15 of ITA 2007 carries interest at the rate applicable under section 178 of the Finance Act 1989 from the date when it was due under section 951 of ITA 2007 until payment.
- (2) Subsection (1) applies—
  - (a) whether or not an assessment is made, and
  - (b) whether or not income tax which is assessed has been paid when the assessment is made.
- (3) Subsection (1) applies even if the date when the income tax should have been paid is a non-business day as defined by section 92 of the Bills of Exchange Act 1882.
- (4) Subsection (5) applies to any income tax which—

---

*Changes to legislation:* There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

---

- (a) was payable under Chapter 15 of Part 15 of ITA 2007 (collection: deposit-takers, building societies and certain companies) in respect of payments within section 946 of that Act made in a return period,
  - (b) was not paid on the date when it was due under section 951 of that Act, and
  - (c) has subsequently been discharged or repaid under section 953 of that Act because the person who made the payments received payments on which it suffered income tax by deduction in a later return period.
- (5) The income tax carries interest under subsection (1) from the date when it was due under section 951 of ITA 2007 until the earliest of—
- (a) the date when the income tax was paid,
  - (b) the date when the person delivered a return for the later return period, and
  - (c) the expiry of 14 days after the end of that period,
- but subsection (1) does not otherwise apply to the income tax.
- (6) In this section “return period” means a period for which a return is required to be made under Chapter 15 of Part 15 of ITA 2007.”

<sup>F9</sup>259 .....

#### Textual Amendments

**F9** Sch. 1 para. 259 omitted (21.7.2008 with effect in accordance with Sch. 1 para. 65 of the amending Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 1 para. 35](#)

- 260 (1) Amend section 98 (special returns etc) as follows.
- (2) In subsection (4A)(a) for “section 350(1) of, or Schedule 16 to, the principal Act” substitute “ Chapter 15 or 16 of Part 15 of ITA 2007 ”.
- (3) In subsection (4B) for paragraphs (a) to (d) substitute—
- “(a) the payment is made by a company, local authority or qualifying partnership (within the meaning of section 932 of ITA 2007) without an amount representing income tax on the payment being deducted from it,
  - (b) at the time the payment is made, the company, authority or partnership—
    - (i) does not believe that the payment is an excepted payment for the purposes of Chapter 11 of Part 15 of ITA 2007 (payments between companies etc: exception from duties to deduct), or
    - (ii) if it does so believe, cannot reasonably do so,
  - (c) the payment is one from which tax is deductible under Part 15 of ITA 2007 unless the company, authority or partnership reasonably believes that it is an excepted payment for the purposes of Chapter 11 of that Part, and
  - (d) the payment is not an excepted payment at the time the payment is made.”
- (4) Omit subsection (4C).

---

**Changes to legislation:** *There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

---

(5) For subsection (4D) substitute—

“(4D) A payment is within this subsection if—

- (a) it is a payment from which a sum representing income tax must be deducted under Chapter 6 (deduction from annual payments and patent royalties) or 7 (deduction from other payments connected with intellectual property) of Part 15 of ITA 2007,
- (b) a company, purporting to rely on section 911 of that Act (double taxation arrangements: deduction at treaty rate), deducts less from the payment than required by those Chapters, and
- (c) at the time the payment is made the payee (as defined in section 913 of that Act) is not entitled to relief under double taxation arrangements (as defined in section 1023 of that Act) and the company—
  - (i) does not believe that it is entitled to such relief, or
  - (ii) if it does so believe, cannot reasonably do so.”

(6) For subsection (4DA) substitute—

“(4DA) A payment is within this subsection if—

- (a) it is a payment from which a sum representing income tax must be deducted under Chapter 6 (deduction from annual payments and patent royalties) or 7 (deduction from other payments connected with intellectual property) of Part 15 of ITA 2007,
- (b) a company, purporting to rely on section 914 of ITA 2007 (EU companies: discretion to make payment gross), makes the payment without deducting a sum representing income tax, and
- (c) at the time the payment is made the payment is not exempt from income tax as a result of section 758 of ITTOIA 2005 (exemption for certain interest and royalty payments) and the company—
  - (i) does not believe that the payment is so exempt, or
  - (ii) if it does so believe, cannot reasonably do so.”

(7) In subsection (4E)(b) for “section 349(2) of the principal Act” substitute “section 874 of ITA 2007”.

(8) In the first column of the Table—

- (a) omit the entry relating to regulations under section 42A of ICTA,
- (b) omit the entry relating to regulations under section 476(1) of ICTA,
- (c) omit the entry relating to regulations under section 477A(1) of ICTA,
- (d) omit the entry relating to section 482(3) of ICTA,
- (e) omit the entry relating to regulations under section 482(11) of ICTA,
- (f) omit the entry relating to section 483 of ICTA,
- (g) omit the entry relating to regulations under section 555(7) of ICTA,
- (h) omit the entry relating to section 745(1) of ICTA,
- (i) omit the entry relating to paragraph 5(2) of Schedule 15B to ICTA,
- (j) omit the entry relating to regulations under paragraph 11B(5) of Schedule 28B to ICTA,
- (k) omit the entry relating to section 86(12) of FA 1995,
- (l) omit the entry relating to regulations under Schedule 33 to FA 2002, and

---

*Changes to legislation:* There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

---

(m) at the end insert—

“sections 242 and 243(1) and (2) of ITA 2007;  
 section 271(2) of ITA 2007;  
 regulations under Chapter 5 of Part 6 of ITA 2007;  
 regulations under section 330(5) of ITA 2007;  
 section 703 of ITA 2007;  
 section 748(1) and (2) of ITA 2007;  
 section 771 of ITA 2007;  
 section 788 of ITA 2007;  
 section 862 of ITA 2007;  
 regulations under section 871(1) of ITA 2007;  
 regulations under section 969(1) of ITA 2007;  
 regulations under section 971(1) of ITA 2007;  
 paragraph 155(5) of Schedule 2 to ITA 2007.”

(9) In the second column of the Table—

- (a) omit the entry relating to regulations under section 42A of ICTA,
- (b) omit the entry relating to section 350(1) of ICTA,
- (c) omit the entry relating to regulations under section 476(1) of ICTA,
- (d) omit the entry relating to regulations under section 477A(1) of ICTA,
- (e) omit the entry relating to section 482(2) of ICTA,
- (f) omit the entry relating to regulations under section 482(11) of ICTA,
- (g) omit the entry relating to regulations under section 555(7) of ICTA,
- (h) omit the entry relating to paragraph 5(1) of Schedule 15B to ICTA,
- (i) omit the entry relating to Schedule 16 to ICTA,
- (j) omit the entry relating to regulations under Schedule 33 to FA 2002,
- (k) omit the entry relating to regulations under section 122 of FA 2006, and
- (l) at the end insert—

“sections 240 and 241 of ITA 2007;  
 section 271(1) of ITA 2007;  
 regulations under Chapter 5 of Part 6 of ITA 2007;  
 section 373 of ITA 2007;  
 regulations under section 871(1) of ITA 2007;  
 Chapter 15 of Part 15 of ITA 2007;  
 Chapter 16 of Part 15 of ITA 2007;  
 regulations under section 969(1) of ITA 2007;

---

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

---

regulations under section 971(1) of ITA 2007;

regulations under section 973(1) of ITA 2007.”

(10) After the paragraph at the end of the Table insert— “ References in this Table to sections 240, 241, 242 and 243(1) and (2) of ITA 2007 are to provisions that apply only in relation to shares issued after 5 April 2007. ”

261 In section 99A (certificates of non-liability to income tax) for “section 477A of the principal Act (building societies) or section 480B of that Act (deposit-takers)” substitute “ section 852 of ITA 2007 ”.

262 After section 99A insert—

**“99B Declarations under Chapter 2 of Part 15 of ITA 2007**

Where a person fraudulently or negligently gives any incorrect information in a declaration under any of sections 858 to 861 of ITA 2007, the person shall be liable to a penalty not exceeding £3,000.”

263 In section 118(1) (interpretation)—

<sup>F10</sup>(a) . . . . .

(b) after the definition of “ITTOIA 2005” insert—

““ITA 2007” means the Income Tax Act 2007,”.

**Textual Amendments**

**F10** Sch. 1 para. 263(a) repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), Sch. 3 Pt. 1 (with Sch. 2)

264 In paragraph 9(2) of Schedule 1A (claims etc not included in returns)—

(a) in paragraph (a) for “(personal reliefs for non-residents)” substitute “ or section 56 or 460 of ITA 2007 (residence etc of claimants) ”, and

(b) in paragraph (c) for “of that Act” substitute “ of the principal Act ”.

**Changes to legislation:**

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations.

[View outstanding changes](#)

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

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

- s. 24B inserted by [2023 c. 30 Sch. 2 para. 10\(3\)](#)
- s. 788(7) inserted by [2007 c. 29 Sch. 21 para. 161\(b\)](#) (The amending provision was repealed before coming into force.)