

Changes to legislation: Finance Act 2008, Cross Heading: Interaction with other penalties and late payment surcharges is up to date with all changes known to be in force on or before 09 February 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULES

SCHEDULE 41

PENALTIES: FAILURE TO NOTIFY AND CERTAIN VAT AND EXCISE WRONGDOING

Modifications etc. (not altering text)

- C1 [Sch. 41](#) applied (with modifications) (22.7.2020) by [Finance Act 2020 \(c. 14\)](#), [Sch. 16 para. 13](#)
- C1 [Sch. 41](#) modified (with effect in accordance with s. 42(2), [Sch. 12 para. 29\(1\)](#) of the amending Act) by [Finance Act 2018 \(c. 3\)](#), [Sch. 12 paras. 33, 34](#)
- C1 [Sch. 41](#) applied (with modifications) (22.7.2020) by [Finance Act 2020 \(c. 14\)](#), [Sch. 16 para. 11\(6\)](#) (with [Sch. 16 para. 11\(7\)](#))

Interaction with other penalties and late payment surcharges

- 15 (1) The amount of a penalty for which P is liable under any of paragraphs 1 to 4 shall be reduced by the amount of any other penalty incurred by P, or any surcharge for late payment of tax imposed on P, if the amount of the penalty or surcharge is determined by reference to the same tax liability.
- [^{F1}(1A) In sub-paragraph (1) “any other penalty” does not include a penalty under Part 4 of FA 2014 (penalty where corrective action not taken after follower notice etc) [^{F2}or Schedule 22 to FA 2016 (asset-based penalty)].]
- (2) If P is liable to a penalty under section 9 of FA 1994 in respect of a failure to comply with a relevant obligation, the amount of any penalty payable under paragraph 1 in respect of the failure is to be reduced by the amount of the penalty under that section.
- [^{F3}(2A) If P has incurred a penalty under regulations under section [8JA\(1\)](#) of TPDA 1979 (tracing and security regulations) in respect of conduct for which P is liable to a penalty under paragraph 4(1), the amount of the penalty under paragraph 4(1) is to be reduced by the amount of the penalty under those regulations.]
- (3) Where penalties are imposed under paragraph 3(1) and (2) in respect of the same act or use, the aggregate of the amounts of the penalties must not exceed 100% of the potential lost revenue.

Textual Amendments

- F1 [Sch. 41 para. 15\(1A\)](#) inserted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 33 para. 4](#)
- F2 Words in [Sch. 41 para. 15\(1A\)](#) inserted (with effect in accordance with reg. 2(b) of the commencing S.I.) by [Finance Act 2016 \(c. 24\)](#), s. 165(2), [Sch. 22 para. 20\(4\)](#); S.I. 2017/277, reg. 2(b)
- F3 [Sch. 41 para. 15\(2A\)](#) inserted (24.2.2022) by [Finance Act 2022 \(c. 3\)](#), s. [93\(5\)](#)

Commencement Information

- I1 [Sch. 41 para. 15](#) in force at 1.4.2010 with effect in accordance with art. 3 by [S.I. 2009/511](#), [art. 2](#)

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

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

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

- Sch. 41 para. 6(1A) inserted by [2015 c. 11 Sch. 20 para. 10\(2\)](#)
- Sch. 41 para. 6A(A1)(1) substituted for Sch. 41 para. 6A(1) by [2015 c. 11 Sch. 20 para. 11\(2\)](#)