

# FINANCE ACT 2012

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## EXPLANATORY NOTES

### INTRODUCTION

#### *Section 223 Schedule 38: Tax Agents: Dishonest Conduct*

#### Details of the Schedule

##### Part 1: Introduction

5. Paragraph 1 provides an overview of the Schedule.
6. Paragraph 2 defines a “tax agent” as an individual who assists others with their tax affairs. The assistance must be in the course of business, so that, for example, general advice by friends, family or volunteer advisers, or broadcasts and lectures is not caught.
7. Under sub-paragraph (2) an individual can be a tax agent even if appointed indirectly.
8. Under sub-paragraph (3) assistance includes providing advice to or acting for a client in relation to tax. Sub-paragraphs (4) to (5) further clarify the meaning of assistance.
9. Sub-paragraph (1) of paragraph 3 defines engaging in “dishonest conduct” as doing something dishonest with a view to bringing about a loss of tax revenue and sub-paragraph (7) provides more detail.
10. Sub-paragraphs (2) and (3) provide that it does not matter whether or not there is an actual loss of tax revenue, or whether the agent was acting on a client’s instructions.
11. Sub-paragraph (4) together with sub-paragraph (6) defines a loss of tax revenue.
12. Sub-paragraph (5) cross refers to Part 6 for the definition of the taxes covered by the Schedule.