



# Finance Act 2014

## 2014 CHAPTER 26

### PART 5

#### PROMOTERS OF TAX AVOIDANCE SCHEMES

##### *Penalties*

#### **277 Extended time limit for assessment**

- (1) In section 36 of TMA 1970 (loss of tax brought about carelessly or deliberately), in subsection (1A)—
- (a) omit the “or” following paragraph (b), and
  - (b) at the end of paragraph (c) insert “or
  - (d) attributable to arrangements which were expected to give rise to a tax advantage in respect of which the person was under an obligation to notify the Commissioners for Her Majesty's Revenue and Customs under section 253 of the Finance Act 2014 (duty to notify Commissioners of promoter reference number) but failed to do so.”.
- (2) In paragraph 12B of Schedule 2 to OTA 1975 (extended time limits for assessment of petroleum revenue tax)—
- (a) in sub-paragraph (1), after “sub-paragraph (2)” insert “ and (2A) ”,
  - (b) after sub-paragraph (2) insert—
- “(2A) In a case involving a relevant situation brought about by arrangements which were expected to give rise to a tax advantage in respect of which a participator (or a person acting on behalf of a participator) was under an obligation to notify the Board under section 253 of the Finance Act 2014 (duty to notify Commissioners of promoter reference number) but failed to do so, an assessment (or an amendment of an assessment) on the participator may be made at any

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*Changes to legislation: Finance Act 2014, Section 277 is up to date with all changes known to be in force on or before 19 June 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*

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- time not more than 20 years after the end of the relevant chargeable period.”,
- (c) in sub-paragraph (5), for “or (2)” substitute “, (2) or (2A) ”, and
  - (d) in sub-paragraph (6), for “or (2)” substitute “, (2) or (2A) ”.
- (3) In section 240 of IHTA 1984 (underpayments)—
- (a) in subsection (3) for “and (5)” substitute “ to (5A) ”,
  - (b) in subsection (5), for “those dates” substitute “ the dates in subsection (2)(a) and (b) ”,
  - (c) after subsection (5) insert—
    - “(5A) Proceedings in a case involving a loss of tax attributable to arrangements which were expected to give rise to a tax advantage in respect of which a person liable for the tax was under an obligation to make a report under section 253 of the Finance Act 2014 (duty to notify Commissioners of promoter reference number) but failed to do so, may be brought at any time not more than 20 years after the later of the dates in subsection (2)(a) and (b).”
  - (d) in subsection (8), for “, (5) and (6)” substitute “ to (6) ”.
- (4) In paragraph 46 of Schedule 18 to FA 1998 (general time limits for assessments to corporation tax), in sub-paragraph (2A)—
- (a) omit the “or” following paragraph (b), and
  - (b) at the end of paragraph (c) insert “or
    - (d) attributable to arrangements which were expected to give rise to a tax advantage in respect of which the company was under an obligation to notify the Commissioners for Her Majesty's Revenue and Customs under section 253 of the Finance Act 2014 (duty to notify Commissioners of promoter reference number) but failed to do so.”
- (5) In paragraph 31 of Schedule 10 to FA 2003 (time limit for assessment of stamp duty land tax), in sub-paragraph (2A)—
- (a) omit the “or” following paragraph (b), and
  - (b) at the end of paragraph (c) insert “or
    - (d) attributable to arrangements which were expected to give rise to a tax advantage in respect of which the person was under an obligation to notify the Commissioners for Her Majesty's Revenue and Customs under section 253 of the Finance Act 2014 (duty to notify Commissioners of promoter reference number) but failed to do so.”
- (6) In paragraph 25 of Schedule 33 to FA 2013 (time limit for assessment: annual tax on enveloped dwellings), in sub-paragraph (4)—
- (a) omit the “or” following paragraph (b), and
  - (b) at the end of paragraph (c) insert “, or
    - (d) attributable to arrangements which were expected to give rise to a tax advantage in respect of which the person was under an obligation to notify the Commissioners for Her Majesty's Revenue and Customs under section 253 of FA 2014 (duty to notify Commissioners of promoter reference number) but failed to do so.”

**Changes to legislation:**

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**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):

- Sch. 31 para. 2(3)(b) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(iii\)](#)
- Sch. 31 para. 2(4A) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(c\)](#)
- Sch. 31 para. 3(1A) inserted by [2017 c. 32 Sch. 14 para. 45\(3\)\(b\)](#)
- Sch. 31 para. 5(b) inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(c\)](#)
- Sch. 31 para. 2(3)(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(ii\)](#)
- Sch. 31 para. 5(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(b\)](#)
- Sch. 31 para. 2(3)(a) words renumbered as Sch. 31 para. 2(3)(a) by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(i\)](#)
- Sch. 31 para. 5(a) words renumbered as Sch. 31 para. 5(a) by [2017 c. 32 Sch. 14 para. 45\(4\)\(a\)](#)
- Sch. 32 para. 1(2)(b) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(iii\)](#)
- Sch. 32 para. 1(3A) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(c\)](#)
- Sch. 32 para. 1(2)(a) words inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(ii\)](#)
- Sch. 32 para. 1(2)(a) words renumbered as Sch. 32 para. 1(2)(a) by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(i\)](#)