***Changes to legislation:** There are currently no known outstanding effects for the Finance Act 2015, Paragraph 10. (See end of Document for details)*

SCHEDULES

SCHEDULE 18

ACCELERATED PAYMENTS: GROUP RELIEF

Amendments of Part 4 of FA 2014

10 (1) Schedule 32 (accelerated payments and partnerships) is amended as follows.

(2) In paragraph 4 (content of partner payment notice)—

(a) in sub-paragraph (1), in paragraph (b), after "the payment" insert " (if any) ",

(b) in that sub-paragraph omit the "and" at the end of paragraph (b) and after paragraph (c) insert ", and

(d) if the denied advantage consists of or includes an asserted surrenderable amount, specify that amount and any action which is required to be taken in respect of it under paragraph 6A.",

(c) after sub-paragraph (4) insert—

"(4A) Asserted surrenderable amount" means so much of a surrenderable loss which the relevant partner asserts to have as a designated HMRC officer determines, to the best of that officer's information and belief, to be an amount—

(a) which would not be a surrenderable loss of that partner if the position were as stated in paragraphs (a), (b) or (c) of sub-paragraph (3), and

(b) which is not the subject of a claim by the relevant partner to relief from corporation tax which is reflected in the amount of the understated partner tax of that partner (and hence in the payment required to be made under paragraph 6).

(4B) "Surrenderable loss" means a loss or other amount within section 99(1) of CTA 2010 (or part of such a loss or other amount).", and

(d) in sub-paragraph (5), for "the payment specified under sub-paragraph (1)(b)" substitute " any payment specified under sub-paragraph (1)(b) or amount specified under sub-paragraph (1)(d) ".

(3) In paragraph 5 (representations about a partner payment notice)—

(a) in sub-paragraph (2) omit the "or" at the end of paragraph (a), and after paragraph (b) insert ", or

(c) objecting to the amount specified in the notice under paragraph 4(1)(d).",

(b) in sub-paragraph (4), omit the "and" at the end of paragraph (a),

(c) in paragraph (b) of that sub-paragraph, after "different amount" insert " (or no amount) ",

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(d) in that paragraph, omit the "or" at the end of sub-paragraph (i) and after sub-paragraph (ii) insert ", or

(iii) remove from the notice the provision made under paragraph 4(1)(b),", and

(e) after that paragraph insert ", and

(c) if representations were made under sub-paragraph (2)(c) (and the notice is not withdrawn under paragraph (a)), determine whether a different amount (or no amount) ought to have been specified under paragraph 4(1)(d), and then—

(i) confirm the amount specified in the notice,

(ii) amend the notice to specify a different amount, or

(iii) remove from the notice the provision made under paragraph 4(1)(d),".

(4) In paragraph 6 (effect of partner payment notice)—

(a) for sub-paragraph (1) substitute—

"(1) This paragraph applies where—

(a) a partner payment notice has been given to a relevant partner (and not withdrawn), and

(b) an amount is stated in the notice in accordance with paragraph 4(1)(b).", and

(b) in sub-paragraph (2) for "the amount specified in the notice in accordance with paragraph 4(1)(b)" substitute " that amount ".

(5) After paragraph 6 insert—

"6A (1) This paragraph applies where—

(a) an accelerated payment notice is given (and not withdrawn), and

(b) an amount is specified in the notice in accordance with paragraph 4(1)(d).

(2) The relevant partner may not at any time when the notice has effect consent to any claim for group relief in respect of the amount so specified.

(3) Subject to sub-paragraph (2), paragraph 75 (other than sub-paragraphs (7) and (8)) of Schedule 18 to FA 1998 (reduction in amount available for surrender) has effect at any time when the notice has effect as if that specified amount ceased to be an amount available for surrender at the time the notice was given to the relevant partner.

(4) For the purposes of sub-paragraph (3), paragraph 75 of that Schedule has effect as if, in sub-paragraph (2) of that paragraph for "within 30 days" there were substituted " before the end of the payment period (within the meaning of paragraph 6(5) of Schedule 32 to the Finance Act 2014) ".

(5) The time limits otherwise applicable to amendment of a company tax return do not prevent an amendment being made in accordance with paragraph 75(6) of Schedule 18 to FA 1998 where the relevant partner withdraws consent by virtue of sub-paragraph (3)."

(6) In paragraph 8 (withdrawal, suspension or modification of partner payment notices), in sub-paragraph (2)—

(a) before paragraph (a) insert—

"(za) section 227(2)(d), (12A) and (16) has effect as if the references to section 220(2)(d) or 221(2)(d) were to paragraph 4(1)(d) of this Schedule,", and

(b) omit the "and" after paragraph (a) and after paragraph (b) insert ", and

(c) section 227(12A) has effect as if the reference to section 225A(3) were to paragraph 6A(3) of this Schedule."

Changes to legislation:
There are currently no known outstanding effects for the Finance Act 2015, Paragraph 10.