
Changes to legislation: Finance (No. 2) Act 2017, Paragraph 56 is up to date with all changes known to be in force on or before 03 April 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 16

PENALTIES FOR ENABLERS OF DEFEATED TAX AVOIDANCE

PART 12

GENERAL

Other definitions

56 (1) In this Schedule—

“abusive tax arrangements” has the meaning given by paragraph 3;

“arrangements” includes any agreement, understanding, scheme, transaction or series of transactions (whether or not legally enforceable);

“business” includes any trade or profession;

“the Commissioners” means the Commissioners for Her Majesty’s Revenue and Customs;

“company” has the same meaning as in the Corporation Tax Acts (see section 1121 of CTA 2010);

“contract settlement” (except in paragraph 46(6)) means an agreement in connection with a person’s liability to make a payment to the Commissioners under or by virtue of an enactment;

“a defeat”, in relation to arrangements, is to be read in accordance with paragraph 4;

a “designated HMRC officer” means an officer of Revenue and Customs who has been designated by the Commissioners for the purposes of this Schedule;

“the GAAR Advisory Panel” has the meaning given by paragraph 1 of Schedule 43 to FA 2013;

“group” is to be read in accordance with sub-paragraph (2);

“HMRC” means Her Majesty’s Revenue and Customs;

“national insurance contributions” means contributions under Part 1 of the Social Security Contributions and Benefits Act 1992 or Part 1 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992;

a “NICs decision” means a decision under section 8 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999 or Article 7 of the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (SI 1999/671) relating to a person’s liability for relevant contributions;

“relevant contributions” means any of the following contributions under Part 1 of the Social Security Contributions and Benefits Act 1992 or Part 1 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992—

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- (a) Class 1 contributions;
 - (b) Class 1A contributions;
 - (c) Class 1B contributions;
 - (d) Class 2 contributions which must be paid but in relation to which section 11A of the Act in question (application of certain provisions of the Income Tax Acts) does not apply;
 - “tax” is to be read in accordance with paragraph 54;
 - “tax advantage” is to be read in accordance with paragraph 55.
- (2) For the purposes of this Schedule two companies are members of the same group if—
- (a) one is a 75% subsidiary of the other, or
 - (b) both are 75% subsidiaries of a third company;
- and in this paragraph “75% subsidiary” has, subject to sub-paragraph (3), the meaning given by section 1154 of CTA 2010.
- (3) So far as relating to 75% subsidiaries, section 151(4) of CTA 2010 (requirements relating to beneficial ownership) applies for the purposes of this Schedule as it applies for the purposes of Part 5 of that Act.
- (4) In this Schedule references to an assessment to tax, however expressed—
- (a) in relation to inheritance tax and petroleum revenue tax, include a determination;
 - (b) in relation to relevant contributions, include a NICs decision.

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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. A1 para. 8(6)(b) omitted by [2022 c. 3 Sch. 1 para. 32\(b\)](#)
- Sch. A1 para. 8(2) substituted by [2022 c. 3 Sch. 1 para. 32\(a\)](#)