

SCHEDULES

SCHEDULE 16

TAXATION OF CORONAVIRUS SUPPORT PAYMENTS

Penalties: partnerships

- 14 (1) This paragraph applies to a failure to notify, under section 7 of TMA 1970 (as modified by paragraph 12), a liability to income tax chargeable under paragraph 8 by a partner of a firm that received the amount of the coronavirus support payment in relation to which the tax is chargeable.
- (2) For the purposes of paragraph 13(1) of this Schedule, each partner is taken to know anything that any of the other partners knows.
- (3) Where a partner would be liable to a penalty under Schedule 41 to FA 2008 (whether in a case falling within paragraph 13 or otherwise), the partner is instead jointly and severally liable with the other partners to a single penalty under that Schedule for the failures by each of them to notify.
- (4) In a case not falling within paragraph 13, if the failure of at least one of the partners—
- (a) was deliberate and concealed, the single penalty is to be treated as a penalty for a deliberate and concealed failure;
 - (b) was deliberate but not concealed, the single penalty is to be treated as a penalty for a deliberate but not concealed failure.
- (5) For the purposes of Schedule 41 to FA 2008, the “potential lost revenue” is to be treated as being the amount of income tax which would have been assessable on any one of the partners (see paragraph 9(4)(a))—
- (a) in a case falling within paragraph 13, at the end of the last day of the notification period, or
 - (b) in any other case, at the end of 31 January following the tax year in which the amount of coronavirus support payment was received by the firm.
- (6) Paragraph 22 of that Schedule (limited liability partnerships: members’ liability) does not apply.