
 STATUTORY INSTRUMENTS

1981 No. 1038

DEVELOPMENT LAND TAX

Development Land Tax (Appeals) Regulations 1981

Made - - - -	21st July 1981
Laid before the House of Commons -	22nd July 1981
Coming into Operation	24th August 1981

The Commissioners of Inland Revenue, in exercise of the powers conferred on them by section 57A of the Taxes Management Act 1970(a) (inserted in that Act by paragraph 16 of Schedule 8 to the Development Land Tax Act 1976(b)), and after consultation with the Council on Tribunals in so far as is required by section 10 of the Tribunals and Inquiries Act 1971(c), hereby make the following Regulations:—

Citation and commencement

1. These Regulations may be cited as the Development Land Tax (Appeals) Regulations 1981, and shall come into operation on 24th August 1981.

Interpretation

2. For the purposes of these Regulations, unless the context otherwise requires;

“appeal” means an appeal against an assessment to development land tax or against a decision on a claim relating to development land tax;

“the Board” means the Commissioners of Inland Revenue;

references to liability to development land tax include further liability,

“third party” means a third or subsequent party joined under Regulation 3;

“value” includes current use value and market value, and any question as to the consideration that might have been obtained for property in the open market is a question of market value;

the value of any property or rights or the apportionment of any amount or value is a material question in an appeal notwithstanding that there is no dispute thereon between the appellant and the Board if the adoption of a different value or apportionment might produce a different determination on an appeal.

Joinder of third parties in appeals

3.—(1) Where the value of any property or rights on a particular date or the apportionment of any amount or value is a material question in an appeal any person whose liability to development land tax may be affected by that value or

(a) 1970 c. 9.

(b) 1976 c. 24.

(c) 1971 c. 62.

by the manner in which that amount or value is apportioned may apply under this Regulation to be joined as a party in the appeal.

(2) An application under this Regulation to be joined as a party in an appeal shall be made in writing to the Board stating—

- (a) the name and address of the applicant;
- (b) the question which may affect his liability to development land tax; and
- (c) his contention with regard to that question.

(3) The Board shall send a copy of the application to the appellant and to any other party to the appeal.

(4) If the application is received by the Board not later than 30 days before the date fixed for the hearing of the appeal, or if when the Board receive the application no date has been fixed, they shall, if satisfied that it is proper to join the applicant as a party in the appeal, join him as a third party and give notice of the joinder to the appellant and any other party to the appeal.

(5) If the application is received by the Board later than 30 days before the date fixed for the hearing of the appeal but before it has been determined, or if they are not satisfied that it is proper to join the applicant as a party in the appeal, they shall refer the application to the Special Commissioners and those Commissioners may in their discretion allow or refuse the application.

(6) At the hearing and on the determination of the appeal a third party shall, so far as relates to the question in which he is interested, have the same rights as the appellant, including any right to require the statement of a case for the opinion of any court.

(7) On the hearing of the appeal a third party shall not (unless the appellant consents) be entitled to be present except during such part of the hearing as relates to a question in which he is interested and the Commissioners shall if necessary hear any such question separately from the rest of the appeal.

References of questions of value to Lands Tribunal

4.—(1) A question in an appeal which is required to be determined in accordance with section 47A of the Taxes Management Act 1970 may be referred to the appropriate Lands Tribunal by the Special Commissioners or, if the hearing of the appeal has not begun, by the Board.

(2) Where any question in an appeal has been referred to a Lands Tribunal in accordance with section 47A of the Taxes Management Act 1970 the Special Commissioners may determine the remaining questions in the appeal and may at the request of any party (whether or not he declared his dissatisfaction immediately after that determination) state a case thereon under section 56 of that Act without awaiting the determination of the question referred to the Lands Tribunal.

Conclusive effect of a determination on appeal

5.—(1) Where the value of any property or rights on a particular date or the apportionment of any amount or value (being a value or apportionment which affects or may affect the liability to development land tax of two or more persons) is finally determined on an appeal that determination shall, subject to Regulation 8, be in all proceedings relating to development land tax conclusive between the Board and the following persons—

- (a) parties to the appeal, and

- (b) any person who was entitled to apply to be joined as a third party in the appeal and had notice, in reasonable time for making such application, of the appeal and of the question in the appeal entitling him so to apply, not being a person who did so apply without undue delay and whose application was not allowed.
- (2) For the purposes of these Regulations—
 - (a) the determination of an appeal or a question in an appeal shall be treated as final when the determination can no longer be varied by the tribunal making it or by the order of any court;
 - (b) the value of any property or rights on a particular date or the apportionment of any amount or value shall be deemed to have been finally determined on an appeal notwithstanding that there was no dispute concerning that value or apportionment if the value or apportionment was a material question in the appeal and the appeal has been finally determined.
- (3) The Commissioners hearing an appeal shall, if required by any party to the appeal, record in their decision the value of any property or rights on a particular date or the apportionment of any amount or value if that value or apportionment was a material question in the appeal.
- (4) The final determination on an appeal of the value of any property or rights on a particular date or the apportionment of any amount or value may be proved in any proceedings relating to development land tax by a certificate stating the material particulars signed by an officer of the Board or by the clerk or registrar of the Commissioners or other tribunal who determined the appeal or determined the question in accordance with section 47A of the Taxes Management Act 1970; and a document purporting to be such a certificate may be received in evidence in any such proceedings without further proof.

Agreements in writing of value or apportionment

6.—(1) An agreement or notification which apart from this Regulation would have effect under section 54 of the Taxes Management Act 1970 (settlement of appeals by agreement or withdrawal) as if an appeal had been determined by Commissioners shall not have that effect in relation to any appeal in which a third party has been joined unless, at the time when the agreement is made or the notification is given, the question in which the third party is interested has been finally determined on the appeal or disposed of by an agreement made in accordance with paragraph (2) below.

(2) Where the value of any property or rights on a particular date or the apportionment of any amount or value may affect the liability to development land tax of two or more persons and is a material question in an appeal, then if the value or apportionment is agreed in writing between the Board and all the parties to the appeal whose liability may be affected by it the agreement shall, subject to Regulation 8, be in all proceedings relating to development land tax conclusive between the Board and the following persons—

- (a) parties to the agreement,
- (b) any person who was entitled, in respect of the question in the appeal to which the agreement relates, to apply to be joined as a third party in the appeal and had notice of the appeal and of the question in the appeal not less than 30 days before the agreement was made, not being a person who did so apply before the agreement was made.

(3) A document purporting to be an agreement made in accordance with paragraph (2) above and produced from proper custody may be received in evidence in any proceedings relating to development land tax without further proof as such an agreement made by the persons by whom it purports to be signed.

Persons affected by determination or agreement in writing

7. Where section 10 of the Development Land Tax Act 1976 (interests in land acquired by gift, etc.) applies, a determination or agreement which is by virtue of these Regulations conclusive against or in favour of the person making the previous disposal (as defined in subsection (1) of that section) shall to the same extent be conclusive in relation to the material disposal (as so defined) against or in favour of the person making that disposal.

Fraud or wilful default

8. A determination or agreement shall not by virtue of these Regulations be conclusive in favour of any person if it is shown that any form of fraud or wilful default committed by or on behalf of that person procured or contributed to procure the determination or agreement.

Notification of third parties

9. Where it appears to the Board that a person is entitled to apply to be joined as a third party in an appeal, they may, and at that person's request shall, notify him of the appeal and disclose to him (so far as relevant to his interest in that appeal) any value or apportionment adopted in making the assessment or decision from which the appeal is brought.

By Order of the Commissioners of Inland Revenue.

21st July 1981

J. M. Green,
Secretary.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations supplement the general statutory provisions in the Taxes Management Act 1970 which apply to development land tax appeals which lie in the main to the Special Commissioners. They enable questions of value or apportionment which affect or may affect the development land tax liability of two or more taxpayers to be decided between the Revenue and all the taxpayers concerned in the same proceedings.

Where a question of value or apportionment is material in an appeal brought by one taxpayer, Regulation 3 enables any other taxpayer whose liability (including future liability) may be affected by that question to be joined as a third party in the appeal.

Certain value questions in appeals are required by statute to be referred to the Lands Tribunal. Regulation 4 deals with certain procedural points relating to such cases (whether or not involving third parties).

Regulation 5 provides that a value or apportionment affecting the liability of two or more persons, once finally determined on appeal, is in all development land tax proceedings conclusive between the Revenue and the parties to the appeal and persons who had the opportunity of being joined as parties.

Regulation 6 provides for a similar conclusive effect where an appeal is settled by agreement in writing; and regulation 7 extends the conclusive effects of a determination or agreement to cover certain persons who for tax purposes inherit a relevant value from a previous owner.

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