
STATUTORY INSTRUMENTS

2020 No. 25

**The International Tax Enforcement
(Disclosable Arrangements) Regulations 2020**

PART 3

Penalties for breach of obligations

Matters to be disregarded in relation to liability to penalties

21.—(1) Liability to a penalty under regulation 14 does not arise if the person satisfies an officer of Revenue and Customs or, on a determination by the First-tier Tribunal or an appeal notified to the tribunal, the tribunal that there is a reasonable excuse for a failure to do anything required to be done under these Regulations.

(2) For the purposes of this regulation none of the following is a reasonable excuse—

(a) that there is an insufficiency of funds to do something,

(b) that the person relies on legal advice if—

(i) the advice was given or procured by a person who is an intermediary within the first paragraph of Article 3(21) of the DAC in relation to the reportable cross-border arrangement to which the failure relates,

(ii) the advice was not based on a full and accurate description of the facts, or

(iii) the conclusions in the advice that the person relied upon were unreasonable.

(3) In considering whether a person had a reasonable excuse, the officer of Revenue and Customs or the tribunal must consider whether the person maintains such procedures as it is reasonable in all the circumstances to have in place to secure the identification of reportable cross-border arrangements and compliance with obligations under these Regulations.

(4) If a person had a reasonable excuse for a failure but the excuse has ceased, the person is to be treated as having continued to have the excuse if the failure is remedied without unreasonable delay after the excuse ceased.