

LAND TRANSACTION TAX AND ANTI-AVOIDANCE OF DEVOLVED TAXES (WALES) ACT 2017

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 7 – General Anti-Avoidance Rule

Section 66 - General anti-avoidance rule

Section 81F TCMA - Notice of proposed counteraction

96. This section provides for WRA to issue a proposed counteraction notice to notify a taxpayer when it is intending to counteract a tax advantage that has arisen from an artificial tax avoidance arrangement in relation to a devolved tax.
97. Where a counteraction notice is issued by WRA it must:
- specify the tax avoidance arrangement and the tax advantage;
 - provide an explanation of why WRA considers that a tax advantage has arisen to the taxpayer from an artificial tax avoidance arrangement;
 - set out the adjustment that WRA proposes to make to counteract the tax advantage; and,
 - specify any amount that the taxpayer will be required to pay.
98. The proposed counteraction notice must also inform the taxpayer that a final counteraction notice (section 81G) will be issued after the expiry of a 45 day period from when the proposed counteraction notice is issued. It must also state that the taxpayer may request an extension to the 45 day period, and that they may make representations to WRA before the final counteraction notice is issued.