

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

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### **Part 7 – General Anti-Avoidance Rule**

#### *Section 66 - General anti-avoidance rule*

#### **Section 81G TCMA - Final counteraction notice**

99. Subsection (1) provides that where a taxpayer has been sent a notice under section 81F, after the period for making representations about the notice has expired, WRA must issue the taxpayer with a “final counteraction notice”.
100. Under subsection (2) any final counteraction notice issued by WRA must state whether the tax advantage is to be counteracted by an adjustment under section 81E. In determining whether the tax advantage is to be counteracted, WRA must under subsection (3) have regard to any representations made by the taxpayer.
101. If a final counteraction notice states that a tax advantage is to be counteracted by means of an adjustment the notice must also—
  - specify the adjustment required to give effect to the counteraction,
  - specify the amendment of the return which is to be included in the closure notice issued under section 50 when WRA reaches its conclusions in the enquiry,
  - if the adjustment is not going to be given effect by amending the return, identify or be accompanied by WRA assessment which gives effect to the adjustment,
  - specify any amount that the taxpayer is required to pay where WRA has reached a conclusion to an enquiry, or is required to pay in accordance with an assessment made by WRA.
102. Under subsection (5) where a tax advantage is not to be counteracted, the final counteraction notice must state the reasons for WRA’s decision.