

# **REVENUE SCOTLAND AND TAX POWERS ACT 2014**

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## **EXPLANATORY NOTES**

### **THE ACT**

#### **Part 6 – Tax Returns, Enquiries and Assessments**

##### *Chapter 6 — Revenue Scotland Assessments*

#### **Conditions for making Revenue Scotland assessments**

##### *Section 102 – Conditions for making Revenue Scotland assessments*

141. This section limits the circumstances in which a Revenue Scotland assessment can be made under section 98 or 99 to situations which arose because of careless or deliberate behaviour by the taxpayer, a person acting on behalf of the taxpayer or a person who was a partner of the taxpayer at the relevant time. It also prohibits a Revenue Scotland assessment being made under those provisions if the situation was attributable to a mistake in the calculation of the tax liability that was in accordance with generally prevailing practice at the time the return was made.

##### *Section 103 – Time limits for Revenue Scotland assessments*

142. This section provides the time limits under which a Revenue Scotland assessment may be made. The general time limit for the making of a Revenue Scotland assessment is five years from the “relevant date”. This time limit is extended to 20 years where the loss of tax is attributable to deliberate behaviour by the taxpayer or a “related person”. A Revenue Scotland assessment to recover excessive repayment of tax is not late if it is made within 12 months of that repayment. If a taxpayer has died, a Revenue Scotland assessment may be made on a taxpayer’s personal representatives within three years of death and is limited to “relevant dates” within five years before the death. It also sets out how any objection to a Revenue Scotland assessment on the basis of the time limits can be made and defines “relevant date” and “related person”.

##### *Section 104 – Losses brought about carelessly or deliberately*

143. This section provides the definition of a loss of tax or situation brought about carelessly or deliberately by or on behalf of a person for the purposes of sections 102 and 103.