



Revenue Scotland and Tax Powers Act 2014

2014 asp 16

PART 8

PENALTIES

CHAPTER 3

PENALTIES RELATING TO INACCURACIES

Penalty for failure to notify under-assessment

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- (1) A penalty is payable by a person (“P”) where—
 - (a) a Revenue Scotland assessment understates P’s liability to a devolved tax, and
 - (b) P has failed to take reasonable steps to notify Revenue Scotland, within the period of 30 days beginning with the date of the assessment, that it is an under-assessment.
- (2) In deciding what steps (if any) were reasonable, Revenue Scotland must consider—
 - (a) whether P knew, or should have known, about the under-assessment, and
 - (b) what steps it would have been reasonable to take to notify Revenue Scotland.
- (3) The penalty payable under this section is 30% of the potential lost revenue.
- (4) In this section—
 - (a) “Revenue Scotland assessment” includes “Revenue Scotland determination”, and
 - (b) accordingly, references to an under-assessment include an under-determination.