



Revenue Scotland and Tax Powers Act 2014

2014 asp 16

PART 8

PENALTIES

CHAPTER 3

PENALTIES RELATING TO INACCURACIES

Penalties under Chapter 3: general

189 Potential lost revenue: losses

- (1) Where an inaccuracy has the result that a loss is wrongly recorded for purposes of a devolved tax and the loss has been wholly used to reduce the amount due and payable in respect of tax, the potential lost revenue is calculated in accordance with section 187.
- (2) Where an inaccuracy has the result that a loss is wrongly recorded for purposes of a devolved tax and the loss has not been wholly used to reduce the amount due and payable in respect of tax, the potential lost revenue is—
 - (a) the potential lost revenue calculated in accordance with section 187 in respect of any part of the loss that has been used to reduce the amount due and payable in respect of tax, plus
 - (b) 10% of any part that has not.
- (3) Subsections (1) and (2) apply both—
 - (a) to a case where no loss would have been recorded but for the inaccuracy, and
 - (b) to a case where a loss of a different amount would have been recorded (but in that case subsections (1) and (2) apply only to the difference between the amount recorded and the true amount).

Status: This is the original version (as it was originally enacted).

- (4) The potential lost revenue in respect of a loss is nil where, because of the nature of the loss or P's circumstances, there is no reasonable prospect of the loss being used to support a claim to reduce a tax liability (of any person).