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SCHEDULES

SCHEDULE 21

PENALTIES RELATING TO OFFSHORE MATTERS AND OFFSHORE TRANSFERS

Amendments to Schedule 24 to the Finance Act 2007 (c. 11)

1 Schedule 24 to FA 2007 (penalties for errors) is amended as follows.

Commencement Information

II [Sch. 21 para. 1](#) in force at 1.4.2017 with effect in accordance with reg. 2 by [S.I. 2017/259](#), [reg. 2](#)

- 2 (1) Paragraph 9 (reductions for disclosure) is amended as follows.
- (2) For sub-paragraph (A1) substitute—
- “(A1) Paragraph 10 provides for reductions in penalties—
- (a) under paragraph 1 where a person discloses an inaccuracy that involves a domestic matter,
 - (b) under paragraph 1A where a person discloses a supply of false information or withholding of information, and
 - (c) under paragraph 2 where a person discloses a failure to disclose an under-assessment.
- (A2) Paragraph 10A provides for reductions in penalties under paragraph 1 where a person discloses an inaccuracy that involves an offshore matter or an offshore transfer.
- (A3) Sub-paragraph (1) applies where a person discloses—
- (a) an inaccuracy that involves a domestic matter,
 - (b) a careless inaccuracy that involves an offshore matter,
 - (c) a supply of false information or withholding of information, or
 - (d) a failure to disclose an under-assessment.”
- (3) In sub-paragraph (1), in the words before paragraph (a), for the words from “an inaccuracy” to “under-assessment” substitute “ the matter ”.
- (4) After sub-paragraph (1) insert—
- “(1A) Sub-paragraph (1B) applies where a person discloses—
- (a) a deliberate inaccuracy (whether concealed or not) that involves an offshore matter, or
 - (b) an inaccuracy that involves an offshore transfer.
- (1B) A person discloses the inaccuracy by—
- (a) telling HMRC about it,

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- (b) giving HMRC reasonable help in quantifying the inaccuracy,
 - (c) allowing HMRC access to records for the purpose of ensuring that the inaccuracy is fully corrected, and
 - (d) providing HMRC with additional information.
- (1C) The Treasury must make regulations setting out what is meant by “additional information” for the purposes of sub-paragraph (1B)(d).
- (1D) Regulations under sub-paragraph (1C) are to be made by statutory instrument.
- (1E) An instrument containing regulations under sub-paragraph (1C) is subject to annulment in pursuance of a resolution of the House of Commons.”
- (5) At the end insert—
- “(4) Paragraph 4A(4) to (5) applies to determine whether an inaccuracy involves an offshore matter, an offshore transfer or a domestic matter for the purposes of this paragraph.”

Commencement Information

- I2** Sch. 21 para. 2(1)-(3)(5) in force at 1.4.2017 with effect in accordance with reg. 2 by S.I. 2017/259, reg. 2
- I3** Sch. 21 para. 2(4) in force at 8.3.2017 for specified purposes by S.I. 2017/259, reg. 3
- I4** Sch. 21 para. 2(4) in force at 1.4.2017 in so far as not already in force and with effect in accordance with reg. 2 of the commencing S.I. by S.I. 2017/259, reg. 2

- 3 In paragraph 10 (amount of reduction for disclosure), for the Table in sub-paragraph (2) substitute—

<i>“Standard %</i>	<i>Minimum % for prompted disclosure</i>	<i>Minimum % for unprompted disclosure</i>
30%	15%	0%
70%	35%	20%
100%	50%	30%”

Commencement Information

- I5** Sch. 21 para. 3 in force at 1.4.2017 with effect in accordance with reg. 2 by S.I. 2017/259, reg. 2

- 4 After paragraph 10 insert—

- “10A(1) If a person who would otherwise be liable to a penalty of a percentage shown in column 1 of the Table (a “standard percentage”) has made a disclosure, HMRC must reduce the standard percentage to one that reflects the quality of the disclosure.
- (2) But the standard percentage may not be reduced to a percentage that is below the minimum shown for it—
- (a) in the case of a prompted disclosure, in column 2 of the Table, and
 - (b) in the case of an unprompted disclosure, in column 3 of the Table.

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Standard %	Minimum % for prompted disclosure	Minimum % for unprompted disclosure
30%	15%	0%
37.5%	18.75%	0%
45%	22.5%	0%
60%	30%	0%
70%	45%	30%
87.5%	53.75%	35%
100%	60%	40%
105%	62.5%	40%
125%	72.5%	50%
140%	80%	50%
150%	85%	55%
200%	110%	70%”

Commencement Information

I6 [Sch. 21 para. 4](#) in force at 1.4.2017 with effect in accordance with reg. 2 by [S.I. 2017/259](#), [reg. 2](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 19 para. 12(5)(b) inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(c\)](#)
- Sch. 19 para. 12(5)(a) word inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(b\)](#)
- Sch. 19 para. 51(8)(b) words inserted by [2017 c. 32 Sch. 14 para. 48\(2\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(a\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(b\)](#)
- Sch. 19 para. 12(5)(a) words renumbered as Sch. 19 para. 12(5)(a) by [2017 c. 32 Sch. 14 para. 49\(2\)\(a\)](#)
- Sch. 19 para. 58(1) words substituted by [2017 c. 32 Sch. 14 para. 48\(5\)](#)
- Sch. 20 para. 1(4)(e) inserted by [2021 c. 26 Sch. 27 para. 47\(2\)](#)
- Sch. 20 para. 3(3)(d) and word inserted by [2021 c. 26 Sch. 27 para. 47\(3\)\(b\)](#)
- Sch. 20 para. 5(5) inserted by [2021 c. 26 Sch. 27 para. 47\(5\)](#)
- Sch. 22 para. 2(4B) inserted by [2021 c. 26 Sch. 27 para. 48\(2\)\(c\)](#)
- Sch. 22 para. 3(4A) inserted by [2021 c. 26 Sch. 27 para. 48\(3\)](#)