
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Education (Student Loans) (Repayment) Regulations (Northern Ireland) 2000 ([S.R. 2000 No. 121](#)) (“the principal Regulations”) and come into operation on 1st April 2008. The principal Regulations deal with the repayment of student loans paid to students under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998. The aim of these Regulations is to implement a new penalty regime for errors made by student loan borrowers in self assessment returns relating to years of assessment beginning on or after 6th April 2008.

Regulation 7 of the principal Regulations applies various parts of the Taxes Management Act 1970 (“TMA 1970”) relating to penalties to Parts III and IV of the principal Regulations. Regulation 3 amends regulation 7 of the principal Regulations so that in relation to penalties for incorrect returns, sections 100 (determination of penalties by officer of the Board), 100A (provisions supplementary to section 100) and 100B (appeals against penalty determinations) of the TMA 1970 shall only apply to years of assessment ending on or before 5th April 2008. For years of assessment commencing on or after 6th April 2008 Schedule 24 to the Finance Act 2007 (penalties for errors) will apply. Sections 100, 100A and 100B will continue to apply to all other penalties other than penalties for errors under Part III and to all penalties under Part IV as they apply to penalties in connection with income tax.

Regulation 26 of the principal Regulations sets out the penalties for failure to make a tax return and for submitting an incorrect tax return. Section 93 (failure to make return for income tax and capital gains tax), 95 (incorrect return or account for income tax or capital gains tax) and 97 (incorrect return or account: supplemental) of the TMA 1970 are applied to the repayment of student loans. Regulation 4 amends regulation 26 of the principal Regulations so that sections 95 and 97 TMA 1970 shall only apply to return periods ending on or before 5th April 2008. For years of assessment commencing on or after 6th April 2008 Schedule 24 to the Finance Act 2007 (penalties for errors) will apply.