



# Taxes Management Act 1970

## 1970 CHAPTER 9

### PART XI

#### MISCELLANEOUS AND SUPPLEMENTAL

##### *Interpretation*

#### **118 Interpretation.**

(1) In this Act, unless the context otherwise requires—

“Act” includes an Act of the Parliament of Northern Ireland and “enactment” shall be construed accordingly,

“the Board” means the Commissioners of Inland Revenue,

“body of persons” means any body politic, corporate or collegiate, and any company, fraternity, fellowship and society of persons, whether corporate or not corporate,

<sup>F1</sup>  
.....

“chargeable gain” has the same meaning as in <sup>F2</sup>[the <sup>F3</sup>1992 Act],

“chargeable period” means a year of assessment or a company’s accounting period,

“collector” means any collector of taxes,

“company” has the meaning given by [<sup>F4</sup>section 1121(1) of CTA 2010 (with section 617 of that Act)]<sup>F5</sup> ... ,

[<sup>F6</sup>“CTA 2009” means the Corporation Tax Act 2009,]

[<sup>F7</sup>“CTA 2010” means the Corporation Tax Act 2010,]

<sup>F8</sup>  
.....

[<sup>F9</sup>“HMRC” means Her Majesty’s Revenue and Customs;]

“incapacitated person” means any infant, person of unsound mind, lunatic, idiot or insane person,

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[<sup>F10</sup>“infant”, in relation to Scotland, except in section 73 of this Act, means a person under legal disability by reason of nonage, and, in the said section 73, means a person under the age of 18 years.]

“inspector” means any inspector of taxes,

[<sup>F11</sup>“ITEPA 2003” means the Income Tax (Earnings and Pensions) Act 2003,]

[<sup>F12</sup>“ITTOIA 2005” means the Income Tax (Trading and Other Income) Act 2005,]

[<sup>F13</sup>“ITA 2007” means the Income Tax Act 2007,]

<sup>F14</sup> .....

[<sup>F15</sup>“partnership return” has the meaning given by section 12AA(10A) of this Act,]

“the principal Act” means the Income and Corporation Taxes Act <sup>F16</sup>[1988],

[<sup>F17</sup>“the relevant trustees”, in relation to a settlement, shall be construed in accordance with section 7(9) of this Act.]

“return” includes any statement or declaration under the Taxes Acts,

<sup>F18</sup> .....

[<sup>F19</sup>“successor”, in relation to a person who is required to make and deliver, or has made and delivered, [<sup>F20</sup>a partnership return], and “predecessor” and “successor”, in relation to the successor of such a person, shall be construed in accordance with section 12AA(11) of this Act;]

“tax”, where neither income tax nor capital gains tax nor corporation tax <sup>F21</sup>[nor development land tax] is specified, means any of those taxes <sup>F22</sup>[except that in sections <sup>F23</sup>... 20A, 20B <sup>F24</sup>... and 20D it does not include development land tax],

“the Taxes Acts” means this Act and—

- (a) the Tax Acts <sup>F25</sup>... and
- (b) [<sup>F26</sup>the Taxation of Chargeable Gains Act 1992] and all other enactments relating to capital gains tax,
- (c) <sup>F27</sup> .....

[<sup>F28</sup>“the 1992 Act ” means the Taxation of Chargeable Gains Act 1992]

[<sup>F29</sup>“TIOPA 2010” means the Taxation (International and Other Provisions) Act 2010,]

[<sup>F9</sup>“the TCEA 2007” means the Tribunals, Courts and Enforcement Act 2007;]

“trade” includes every trade, manufacture, adventure or concern in the nature of trade .

[<sup>F9</sup>“the tribunal” is to be read in accordance with section 47C;]

- (2) For the purposes of this Act, a person shall be deemed not to have failed to do anything required to be done within a limited time if he did it within such further time, if any, as the Board or the [<sup>F30</sup>tribunal] or officer concerned may have allowed; and where a person had a reasonable excuse for not doing anything required to be done he shall be deemed <sup>F31</sup>[not to have failed to do it unless the excuse ceased and, after the excuse ceased, he shall be deemed] not to have failed to do it if he did it without unreasonable delay after the excuse had ceased:

<sup>F32</sup> .....

<sup>F33</sup>(3) .....

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- (4) For the purposes of this Act, the amount of tax covered by any assessment shall not be deemed to be finally determined until that assessment can no longer be varied, whether by <sup>F34</sup>[the tribunal on an appeal notified to it] or by the order of any court.
- <sup>F35</sup>(5) For the purposes of this Act a loss of tax or a situation is brought about carelessly by a person if the person fails to take reasonable care to avoid bringing about that loss or situation.
- (6) Where—
- (a) information is provided to Her Majesty's Revenue and Customs,
  - (b) the person who provided the information, or the person on whose behalf the information was provided, discovers some time later that the information was inaccurate, and
  - (c) that person fails to take reasonable steps to inform Her Majesty's Revenue and Customs,
- any loss of tax or situation brought about by the inaccuracy shall be treated for the purposes of this Act as having been brought about carelessly by that person.
- (7) In this Act references to a loss of tax or a situation brought about deliberately by a person include a loss of tax or a situation that arises as a result of a deliberate inaccuracy in a document given to Her Majesty's Revenue and Customs by or on behalf of that person.]

#### Textual Amendments

- F1** Words in s. 118(1) repealed (with effect in accordance with Sch. 43 Pt. 3(6) Note of the amending Act) by Finance Act 2003 (c. 14), **Sch. 43 Pt. 3(6)**
- F2** Capital Gains Tax Act 1979 (c. 14), s.157(2), **Sch.7 para.8** for 1979—80 et seq.
- F3** Words in s. 118(1) substituted (6.3.1992 with effect as mentioned in s. 289(1)(2) of the substituting Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 10**, para. 2(11)(a) (with ss. 60, 101(1), 171, 201(3))
- F4** Words in s. 118(1) substituted (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 1 para. 159(a)** (with Sch. 2)
- F5** *Words omitted related to development land tax.* Development Land Tax Act 1976 repealed by Finance Act 1985 (c. 54), s.98(6), **Sch.27 Part X**
- F6** Words in s. 118 inserted (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 1 para. 309** (with Sch. 2 Pts. 1, 2)
- F7** Words in s. 118(1) inserted (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 1 para. 159(b)** (with Sch. 2)
- F8** Words in s. 118(1) omitted (1.4.2009) by virtue of The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 1(2), **Sch. 1 para. 51(2)(a)**
- F9** Words in s. 118(1) inserted (1.4.2009) by The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 1(2), **Sch. 1 para. 51(3)**
- F10** Definition in s. 118(1) inserted (S.) (25.9.1991) by Age of Legal Capacity (Scotland) Act 1991 (c. 50, SIF 49:8), ss. 10(1), 11(2), **Sch. 1 para. 34** (with s. 1(3))
- F11** S. 118 entry inserted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), **Sch. 6 para. 139** (with Sch. 7)
- F12** Words in s. 118(1) inserted (with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), **Sch. 1 para. 380** (with Sch. 2)
- F13** Words in s. 118(1) inserted (with effect in accordance with s. 1034(1) of the amending Act) by Income Tax Act 2007 (c. 3), s. 1034(1), **Sch. 1 para. 263(b)** (with Sch. 2)

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- F14** Words in s. 118 repealed by [Finance Act 1989 \(c. 26\)](#), s. 187, **Sch. 17 Part VIII** (but does not affect the making of assessments for years before 1983-84 or accounting periods ending before 1 April 1983)
- F15** Words in s. 118(1) inserted (with effect in accordance with s. 88(3) of the amending Act) by [Finance Act 2001 \(c. 9\)](#), **Sch. 29 para. 33(2)**
- F16** [Income and Corporation Taxes Act 1988 \(c. 1\)](#), **Sch. 29 para. 32**.
- F17** Words in s. 118 inserted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), **s. 103(6)**
- F18** Words in s. 118(1) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 51(2)(b)**
- F19** Words in s. 118(1) substituted (with effect in accordance with s. 121(8) of the amending Act) by [Finance Act 1996 \(c. 8\)](#), **s. 123(14)**
- F20** Words in s. 118(1) substituted (with effect in accordance with s. 88(3) of the amending Act) by [Finance Act 2001 \(c. 9\)](#), **Sch. 29 para. 33(3)**
- F21** [Development Land Tax Act 1976 s.41, Sch.8 para. 32](#). Repealed by [Finance Act 1985 \(c. 54\)](#), s.98(6), **Sch.27 Part Xin respect of disposals taking place on or after 19 March 1985**.
- F22** Words in s. 118(1) inserted by [Finance Act 1976 \(c. 40\)](#), **s.57(2)**
- F23** Word in s. 118 omitted (1.4.2009) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 113(2), **Sch. 36 para. 76** (with [Sch. 36 para. 38](#)); [S.I. 2009/404](#), art. 2 (with art. 4)
- F24** Word in s. 118(1) repealed (8.11.2007) by [Finance Act 2007 \(c. 11\)](#), s. 84(5), [Sch. 22 para. 4\(b\)](#), **Sch. 27 Pt. 5(1)**; [S.I. 2007/3166](#), art. 2(c)
- F25** Repealed by [Income and Corporation Taxes Act 1988 \(c. 1\)](#), s. 844, [Sch. 31](#)
- F26** Words in s. 118(1)(b) substituted (6.3.1992 with effect as mentioned in s. 289(1)(2) of the substituting Act) by virtue of [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 10**, para. 2(11)(b) (with ss. 60, 101(1), 171, 201(3))
- F27** A development land tax provision added by [Development Land Tax Act 1976 Sch.8 para.32](#). [Development Land Tax Act 1976](#) repealed by [Finance Act 1985 \(c. 54\)](#), s.98(6), **Sch.27 Part X**.
- F28** Definition in s. 118(1)(b) inserted (6.3.1992 with effect as mentioned in s. 289(1)(2) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 10**, para. 2(11)(c) (with ss. 60, 101(1), 171, 201(3))
- F29** Words in s. 118(1) inserted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), s. 381(1), **Sch. 8 para. 314** (with [Sch. 9 paras. 1-9, 22](#))
- F30** Word in s. 118(2) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 51(4)**
- F31** [Finance \(No. 2\) Act 1987 \(c. 51\)](#), **s. 94**.
- F32** S. 118(2) proviso repealed by [Finance Act 1970 s.36\(8\)](#), [Sch.8 Part VII](#).
- F33** S. 118(3) repealed (with effect in accordance with s. 199(2)(3), [Sch. 19 para. 34\(3\)](#) of the amending Act) by [Finance Act 1994 \(c. 9\)](#), [Sch. 19 para. 34\(2\)](#), **Sch. 26 Pt. 5(23)**; [S.I. 1998/3173](#), art. 2
- F34** Words in s. 118(4) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 51(5)**
- F35** S. 118(5)-(7) inserted (1.4.2010) by [Finance Act 2008 \(c. 9\)](#), s. 118(2), **Sch. 39 para. 15**; [S.I. 2009/403](#), art. 2(2) (with art. 10)

#### Modifications etc. (not altering text)

- C1** S. 118(1)(2) applied (with modifications) by the [Oil Taxation Act 1975 \(c. 22\)](#), s. 1, **Sch. 2 para. 1(1)**  
S. 118(1)-(3) applied by [Finance Act 1981 \(c. 35\)](#), s. 134, **Sch.17 para.18** (special tax on banking deposits).
- C2** S. 118(1) applied (with modifications) (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Stamp Duty \(Collection and Recovery of Penalties\) Regulations 1999 \(S.I. 1999/2537\)](#), regs. 1(1), 3(1), **Sch. Pt. I**
- C3** S. 118(1) applied (with modifications) (11.6.2004) by [The Stamp Duty Land Tax \(Appeals\) Regulations 2004 \(S.I. 2004/1363\)](#), regs. 1, **25(2)**
- C4** S. 118(1) applied in part by [Income and Corporation Taxes Act 1988 \(c. 1\)](#), **s. 754(9)**

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- C5** S. 118(2)(4) applied (with modifications) (31.7.1997) by Finance (No. 2) Act 1997 (c. 58), **Sch. 2 para. 18**
- C6** S. 118(2) applied (E.W.S.) (8.12.2002) by Employment Act 2002 (c. 22), **ss. 11(7)**, 55(2); S.I. 2002/2866, art. 2(2), Sch. 1 Pt. 2
- C7** S. 118(2) applied (N.I.) (8.12.2002) by The Employment (Northern Ireland) Order 2002 (S.I. 2002/2836), arts. 1(2), **12(7)**; S.R. 2002/356, art. 2(2), Sch. 1 Pt. 2
- C8** S. 118(2) applied by Social Security Administration (Northern Ireland) Act 1992 (c. 8), **s. 107A(7)** (as inserted (6.4.2005) by National Insurance Contributions and Statutory Payments Act 2004 (c. 3), **ss. 10(5)**, 13; S.I. 2004/1943, art. 4(d))
- C9** S. 118(2) applied by Social Security Administration Act 1992 (c. 5), **s. 113A(7)** (as inserted (6.4.2005) by National Insurance Contributions and Statutory Payments Act 2004 (c. 3), **ss. 9(5)**, 13; S.I. 2004/1943, art. 4(c))
- C10** S. 118(2) applied (N.I.) (6.4.2009) by The Education (Student Loans) (Repayment) Regulations (Northern Ireland) 2009 (S.R. 2009/128), regs. 1(1), **9(7)**
- C11** S. 118(2) applied (E.W.) (6.4.2009) by The Education (Student Loans) (Repayment) Regulations 2009 (S.I. 2009/470), regs. 1(1), **13(7)** (with reg. 1(4)(6))
- C12** S. 118(2) applied (with effect in accordance with reg. 1(2) of the amending S.I.) by The Investment Trusts (Dividends) (Optional Treatment as Interest Distributions) Regulations 2009 (S.I. 2009/2034), regs. 1(1), **22(4)**
- C13** S. 118(2) applied by The Authorised Investment Funds (Tax) Regulations 2006 (S.I. 2006/964), **reg. 85H** (as inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by S.I. 2010/294, regs. 1(1), **21**)
- C14** S. 118(2) applied by The Authorised Investment Funds (Tax) Regulations 2006 (S.I. 2006/964), **reg. 85I** (as inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by S.I. 2010/294, regs. 1(1), **21**)
- C15** S. 118(5)-(7) applied (with modifications) (8.4.2010) by Finance Act 2010 (c. 13), **Sch. 1 para. 42**
- C16** S. 118(5)-(7) applied (with modifications) by Oil Taxation Act 1975 (c. 22), **Sch. 2 para. 12B(8)** (as inserted (1.4.2011) by Finance Act 2009 (c. 10), s. 99(2), **Sch. 51 para. 22**; S.I. 2010/867, art. 2(2))

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