

## SCHEDULES

### SCHEDULE 7

#### INSURANCE PREMIUM TAX

#### PART IV

#### PENALTIES

##### *Civil penalties*

- 15 (1) This paragraph applies if a person fails to comply with—
- (a) a requirement imposed by regulations made under section 54 of this Act to pay the tax due in respect of any period within the time required by the regulations, or
  - (b) a requirement imposed by regulations made under that section to furnish a return in respect of any period within the time required by the regulations;
- and sub-paragraphs (2) and (3) below shall have effect subject to sub-paragraphs (5) and (6) below and paragraph 25(7) below.
- (2) The person shall be liable to a penalty equal to 5 per cent. of the tax due or, if it is greater, to a penalty of £250.
- (3) The person—
- (a) shall be liable, in addition to an initial penalty under sub-paragraph (2) above, to a penalty of £20 for every relevant day when he fails to pay the tax or furnish the return, but
  - (b) shall not in respect of the continuation of the failure be liable to further penalties under sub-paragraph (2) above;
- and a relevant day is any day falling after the time within which the tax is required to be paid or the return is required to be furnished.
- (4) For the purposes of sub-paragraph (2) above the tax due—
- (a) shall, if the person concerned has furnished a return, be taken to be the tax shown in the return as that for which he is accountable in respect of the period in question, and
  - (b) shall, in any other case, be taken to be such tax as has been assessed for that period and notified to him under section 56(1) of this Act.
- (5) A failure falling within sub-paragraph (1) or (3) above shall not give rise to liability to a penalty under this paragraph if the person concerned satisfies the Commissioners or, on appeal, an appeal tribunal that there is a reasonable excuse for the failure.
- (6) Where, by reason of a failure falling within sub-paragraph (1) or (3) above—
- (a) a person is convicted of an offence (whether under this Part of this Act or otherwise), or

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*Status: This is the original version (as it was originally enacted).*

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- (b) a person is assessed to a penalty under paragraph 12 above,  
that failure shall not also give rise to liability to a penalty under this paragraph.
- (7) If it appears to the Treasury that there has been a change in the value of money since the passing of this Act or, as the case may be, the last occasion when the power conferred by this sub-paragraph was exercised, they may by order substitute for the sums for the time being specified in sub-paragraphs (2) and (3) above such other sums as appear to them to be justified by the change.
- (8) An order under sub-paragraph (7) above shall not apply in relation to a failure which began before the date on which the order comes into force.