Changes to legislation: *Finance Act 1998 is up to date with all changes known to be in force on or before 16 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

Finance Act 1998

CHAPTER 36

FINANCE ACT 1998

PART I

EXCISE DUTIES

Alcoholic liquor duties

1 Rate of duty on beer.
2 Adjustment of rates of duty on sparkling liquors.
3 Rates of duty on wine and made-wine.
4 Rates of duty on cider.
5 Drawback of excise duty on beer.

Hydrocarbon oil duties

6 Charge on production without delivery.
7 Rates of duties and rebates.
8 Ultra low sulphur diesel.
9 Mixtures of heavy oils.

Tobacco products duty

10 Rates of tobacco products duty.

Gaming duty

11 Rates of gaming duty.

Amusement machine licence duty

12 Rates of amusement machine licence duty.
13 Further exception for thirty-five-penny machines.

14 Video machines.

Air passenger duty

15 Fiscal representatives.

Vehicle excise duty

16 Rates of duty where pollution reduced.
17 Restriction of exemption for old vehicles.
18 Regulations relating to nil licences.
19 Failure to pay amount required in respect of void licence.

Assessments

20 Assessments for excise duty purposes.

PART II

VALUE ADDED TAX

21 Deemed supplies.
22 Changes of place of supply: transitional.
23 Bad debt relief.
24 Long leases in Scotland.

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER I

INCOME TAX AND CORPORATION TAX

Income tax charge, rates and reliefs

25 Charge and rates for 1998-99.
26 Relief for a woman with a child and an incapacitated husband.
27 Married couple's allowance etc. in and after 1999-00.

Corporation tax charge and rates

28 Charge and rates for financial year 1998.
29 Charge and rates for financial year 1999.

Corporation tax: periodic payments etc

30 Corporation tax: due and payable date.
31 Abolition of advance corporation tax.
32 Unrelieved surplus advance corporation tax.
33 Relief for interest payable under the Tax Acts.
34 Charge to tax on interest payable under the Tax Acts.
35 Further provision about interest payable under the Tax Acts.
36 Arrangements with respect to payment of corporation tax.

Gilt-edged securities

37 Abolition of periodic accounting.

Rents and other receipts from land

38 Taxation of rents and other receipts from land.
39 Land managed as one estate and maintenance funds for historic buildings.
40 Treatment of premiums as rent.
41 Tied premises: receipts and expenses treated as those of trade.

Computation of profits of trade, profession or vocation

42 Computation of profits of trade, profession or vocation.
43 Barristers and advocates in early years of practice.
44 Change of accounting basis.
45 Meaning of “period of account".
46 Minor and consequential provisions about computations.

Gifts to charities

47 Gifts in kind for relief in poor countries.
48 Gifts of money for relief in poor countries.

Employee share incentives

49 Employee share options.
50 Conditional acquisition of shares.
51 Convertible shares provided to directors and employees.
52 Information powers.
53 Provision supplemental to sections 50 to 52.
54 Amendments consequential on sections 50 to 53.

Construction industry workers

55 Construction workers supplied by agencies.
56 Transitional provisions in connection with section 55.
57 Sub-contractors in the construction industry.

Payments and other benefits in connection with termination of employment etc.

58 Payments and other benefits in connection with termination of employment, etc.

Benefits in kind

59 Car fuel.
60 Reductions for road fuel gas cars.
61 Travelling expenses.

Profit-related pay

62 Provision preventing manipulation of profit periods.

Foreign earnings deduction

63 Withdrawal except in relation to seafarers.

PAYE: non-cash benefits etc.

64 Transitory provision relating to tradeable assets.

65 Payment in the form of a readily convertible asset.
66 Enhancing the value of an asset.
67 Gains from share options etc.
68 Vouchers and credit-tokens.
69 Intermediaries, non-UK employers, agencies etc.

The enterprise investment scheme and venture capital trusts

70 Qualifying trades for EIS and VCTs.
71 Pre-arranged exits from EIS.
72 Qualifying holdings for VCTs after 2nd July 1997.
73 Other changes to requirements for VCTs.
74 Other changes to EIS etc.

Individual savings accounts etc.

75 Use of PEPs powers to provide for accounts.
76 Tax credits for accounts and for PEPs.
77 The insurance element etc.
78 Phasing out of TESSAs.

Relief for interest and losses etc.

79 Relief for loan to acquire interest in a close company.
80 Relief for losses on unlisted shares in trading companies.
81 Group relief: special rules for consortium cases.
82 Carry forward of non-trading deficit on loan relationships.

Capital allowances

83 First-year allowances for investment in Northern Ireland.
84 First-year allowances for small businesses etc.
85 First-year allowances: consequential amendments etc.

Insurance, insurance companies and friendly societies

86 Life policies etc.
87 Non-resident insurance companies: tax representatives.
88 Overseas life assurance business.
89 Personal portfolio bonds.
90 Distributions to friendly societies.
91 Provisional repayments in connection with pension business.

Pensions

92 Approved retirement benefit schemes etc.
93 Benefits received under non-approved retirement benefits scheme.
94 Approval of personal pension schemes.
95 Personal pensions: charge on withdrawal of approval.
96 Information relating to personal pension schemes etc.
97 Notices to be given to scheme administrator.
98 Assessments on scheme administrators.

Futures and options

99 Extension of provisions relating to guaranteed returns.

Securities

100 Accrued income scheme.
101 Dealers in securities etc.
102 Manufactured dividends.

Double taxation relief

103 Restriction of relief on certain interest and dividends.
104 Adjustments of interest and dividends for spared tax etc.
105 Meaning of “financial expenditure".
106 Underlying tax reflecting interest or dividends.
107 Notification of foreign tax adjustment.

Transfer pricing, FOREX and financial instruments

108 New regime for transfer pricing etc.
109 Abolition of requirements for direction.
110 Determinations requiring the sanction of the Board.
111 Notice to potential claimants.

Controlled foreign companies

112 Exempt activities.
113 Miscellaneous amendments.

Changes in company ownership

114 Postponed corporation tax.
115 Information powers where ownership changes.
116 Provisions supplemental to sections 114 and 115.

Corporation tax self-assessment

117 Company tax returns, assessments and related matters.

Telephone claims etc.

118 Claims for income tax purposes.
119 Evidential provisions in PAYE regulations.

CHAPTER II

TAXATION OF CHARGEABLE GAINS

Rate for trustees

120 Rate of CGT for trustees etc.

Taper relief and indexation allowance

121 Taper relief for CGT.
122 Freezing of indexation allowance for CGT.

Pooling and identification of shares etc.

123 Abolition of pooling for CGT.
124 New identification rules for CGT.

125 Indexation and share pooling etc.

Stock dividends

126 Capital gains on stock dividends.

Non-residents etc.

127 Charge to CGT on temporary non-residents.
128 Disposal of interests in a settlement.
129 Attribution of gains to settlor in section 10A cases.
130 Charge on beneficiaries of settlements with non-resident settlors.
131 Charge on settlors of settlements for grandchildren.
132 Charge on settlors of pre-19th March 1991 settlements.

Groups of companies etc.

133 Transfer within group to investment trust.
134 Transfer of company's assets to venture capital trust.
135 Transfer within group to venture capital trust.
136 Incorporated friendly societies.
137 Pre-entry gains.
138 Pre-entry losses.
139 De-grouping charges.

Abolition of reliefs

140 Phasing out of retirement relief.
141 Abolition of certain other CGT reliefs.

PART IV

INHERITANCE TAX ETC.

142 Property of historic interest etc.
143 Removal of exemption for gifts for public benefit.
144 Maintenance funds for historic buildings, etc.
145 Accounting for property accepted in satisfaction of tax.

PART V

OTHER TAXES

Insurance premium tax

146 Travel insurance: higher rate tax.
147 Taxable intermediaries.

Landfill tax

148 Provisional collection of landfill tax.

Stamp duty

149 Stamp duty on conveyance or transfer on sale.
150 Relief from double stamp duties etc.

Stamp duty reserve tax

151 Depositary receipts and clearance services: exchanges of shares.

Petroleum revenue tax etc.

152 Gas valuation.

Gas levy

153 Reduction and abolition of gas levy.

Dumping duties

154 Repeal of Customs Duties (Dumping and Subsidies) Act 1969.

PART VI

MISCELLANEOUS AND SUPPLEMENTAL

Fiscal stability

155 Code for fiscal stability.
156 Annual Budget documents.
157 Supplementary powers of the Comptroller and Auditor General.

Government borrowing

158 Treasury's position regarding their own securities.
159 Treasury bills.
160 National loans.
161 Non-FOTRA securities.
162 Accounting statements relating to National Savings.

The European single currency

163 Adoption of single currency by other member States.

Supplemental

164 Interpretation.
165 Repeals.
166 Short title.

SCHEDULES

SCHEDULE 1 — Rates of duty where pollution reduced

Meaning of "the 1994 Ac"t

1 In this Schedule "the 1994 Act" means the Vehicle Excise...

Certificates as to reduced pollution

2 The following section shall be inserted after section 61A of...

Buses

3 (1) In sub-paragraph (1) of paragraph 3 of Schedule 1...

Special vehicles

4 In paragraph 4(7) of that Schedule (annual rates of vehicle...

Recovery vehicles

5 In paragraph 5(6) of that Schedule (annual rates of vehicle...

Vehicles used for exceptional loads

6 (1) In paragraph 6 of that Schedule (annual rates of...

Haulage vehicles

7 (1) In paragraph 7 of that Schedule (annual rates of...

Rigid goods vehicles

8 (1) In sub-paragraph (1) of paragraph 9 of that Schedule...
9 After that paragraph there shall be inserted the following paragraphs —...
10 In paragraph 10 of that Schedule (the trailer supplement), in...

Tractive units

11 (1) In sub-paragraph (1) of paragraph 11 of that Schedule...
12 After that paragraph there shall be inserted the following paragraphs —...

Other amendments

13 In section 15 of the 1994 Act (vehicles becoming chargeable...
14 In section 16 of the 1994 Act (exceptions from charge...
15 In section 45 of the 1994 Act (offences relating to...
16 (1) Paragraph 22 of Schedule 2 to that Act (exemption...

Commencement

17 (1) Subject to sub-paragraph (2) below, the preceding provisions of...

SCHEDULE 2 — Assessments for excise duty purposes

Alcoholic Liquor Duties Act 1979 (c.4)

1 In section 8 of the Alcoholic Liquor Duties Act 1979...
2 In section 10 of the Alcoholic Liquor Duties Act 1979...
3 (1) Section 11 of the Alcoholic Liquor Duties Act 1979...

Hydrocarbon Oil Duties Act 1979 (c.5)

4 (1) Section 13AB of the Hydrocarbon Oil Duties Act 1979...

Tobacco Products Duty Act 1979 (c.7)

5 In section 8 of the Tobacco Products Duty Act 1979...

Finance (No. 2) Act 1992 (c.48)

6 (1) Section 2 of the Finance (No. 2) Act 1992...

Finance Act 1994 (c.9)

7 In section 12 of the Finance Act 1994 (assessment to...
8 (1) In section 12A of the Finance Act 1994 (other...
9 (1) In section 12B of the Finance Act 1994, subsection...
10 In section 14 of the Finance Act 1994 (requirement for...
11 In section 16 of the Finance Act 1994 (appeals to...

Commencement

12 This Schedule shall come into force on such day as...

SCHEDULE 3 — Advance corporation tax

Section 1 of the Provisional Collection of Taxes Act 1968

1 (1) Section 1 of the Provisional Collection of Taxes Act...

Section 10 of the Taxes Management Act 1970

2 (1) Section 10 of the Taxes Management Act 1970 (notice...

Section 87 of the Taxes Management Act 1970

3 (1) Section 87 of the Taxes Management Act 1970 (interest...

Section 87A of the Taxes Management Act 1970

4 (1) Section 87A of the Taxes Management Act 1970 (interest...

Section 94 of the Taxes Management Act 1970

5 . . . . . .

Section 109 of the Taxes Management Act 1970

6 (1) Section 109 of the Taxes Management Act 1970 (corporation...

Section 13 of the Taxes Act 1988

7 (1) Section 13 of the Taxes Act 1988 (small companies'...

Section 14 of the Taxes Act 1988

8 (1) Section 14 of the Taxes Act 1988 (ACT and...

Section 75 of the Taxes Act 1988

9 (1) Section 75 of the Taxes Act 1988 (expenses of...

Section 116 of the Taxes Act 1988

10 (1) Section 116 of the Taxes Act 1988 (arrangements for...

Section 238 of the Taxes Act 1988

11 (1) Section 238 of the Taxes Act 1988 (interpretation of...

Section 239 of the Taxes Act 1988

12 (1) Section 239 of the Taxes Act 1988 (set-off of...

Section 240 of the Taxes Act 1988

13 (1) Section 240 of the Taxes Act 1988 (set-off of...

Section 241 of the Taxes Act 1988

14 (1) Section 241 of the Taxes Act 1988 (calculation of...

Section 245 of the Taxes Act 1988

15 (1) Section 245 of the Taxes Act 1988 (calculation etc...

Section 245A of the Taxes Act 1988

16 (1) Section 245A of the Taxes Act 1988 (restriction on...

Section 245B of the Taxes Act 1988

17 (1) Section 245B of the Taxes Act 1988 (restriction on...

Section 246 of the Taxes Act 1988

18 (1) Section 246 of the Taxes Act 1988 (charge of...

Section 247 of the Taxes Act 1988

19 (1) Section 247 of the Taxes Act 1988 (dividends etc...

Section 248 of the Taxes Act 1988

20 (1) Section 248 of the Taxes Act 1988 (provisions supplemental...

Section 252 of the Taxes Act 1988

21 (1) Section 252 of the Taxes Act 1988 (rectification of...

Section 253 of the Taxes Act 1988

22 (1) Section 253 of the Taxes Act 1988 (power to...

Section 255 of the Taxes Act 1988

23 (1) Section 255 of the Taxes Act 1988 (“gross rate"...

Section 419 of the Taxes Act 1988

24 (1) Section 419 of the Taxes Act 1988 (loans to...

Section 434 of the Taxes Act 1988

25 (1) Section 434 of the Taxes Act 1988 (franked investment...

Section 434C of the Taxes Act 1988

26 (1) Section 434C of the Taxes Act 1988 (interest on...

Section 468Q of the Taxes Act 1988

27 (1) Section 468Q of the Taxes Act 1988 (dividend distribution...

Section 490 of the Taxes Act 1988

28 (1) Section 490 of the Taxes Act 1988 (companies carrying...

Section 497 of the Taxes Act 1988

29 (1) Section 497 of the Taxes Act 1988 (restriction on...

Section 498 of the Taxes Act 1988

30 (1) Section 498 of the Taxes Act 1988 (limited right...

Section 499 of the Taxes Act 1988

31 (1) Section 499 of the Taxes Act 1988 (surrender of...

Section 703 of the Taxes Act 1988

32 (1) Section 703 of the Taxes Act 1988 (cancellation of...

Section 704 of the Taxes Act 1988

33 (1) Section 704 of the Taxes Act 1988 (the prescribed...

Section 705 of the Taxes Act 1988

34 (1) Section 705 of the Taxes Act 1988 (appeals against...

Section 797 of the Taxes Act 1988

35 (1) Section 797 of the Taxes Act 1988 (limits on...

Section 802 of the Taxes Act 1988

36 (1) Section 802 of the Taxes Act 1988 (UK...

Section 813 of the Taxes Act 1988

37 (1) Section 813 of the Taxes Act 1988 (recovery of...

Section 826 of the Taxes Act 1988

38 (1) Section 826 of the Taxes Act 1988 (interest on...

Section 832 of the Taxes Act 1988

39 (1) Section 832 of the Taxes Act 1988 (interpretation of...

Section 835 of the Taxes Act 1988

40 (1) Section 835 of the Taxes Act 1988 (“total income"...

Schedule 13 to the Taxes Act 1988

41 (1) Schedule 13 to the Taxes Act 1988 (collection of...

Schedule 13A to the Taxes Act 1988

42 (1) Schedule 13A to the Taxes Act 1988 (surrenders of...

Schedule 24 to the Taxes Act 1988

43 (1) Schedule 24 to the Taxes Act 1988 (assumptions in...

Schedule 26 to the Taxes Act 1988

44 (1) Schedule 26 to the Taxes Act 1988 (controlled foreign...

Paragraph 8 of Schedule 4 to the Finance (No. 2) Act 1997

45 Paragraph 8 of Schedule 4 to the Finance (No....

Paragraph 9 of Schedule 4 to the Finance (No. 2) Act 1997

46 Paragraph 9 of Schedule 4 to the Finance (No....

Paragraph 18 of Schedule 4 to the Finance (No. 2) Act 1997

47 Paragraph 18 of Schedule 4 to the Finance (No....

Paragraph 23 of Schedule 4 to the Finance (No. 2) Act 1997

48 Paragraph 23 of Schedule 4 to the Finance (No....

SCHEDULE 4 — Interest payable under the Tax Acts by or to companies

Interest on overpaid or early paid corporation tax

1 (1) In section 826(2) of the Taxes Act 1988 (which...

The “material dat"e for interest on a repayment of income tax

2 (1) In section 826 of the Taxes Act 1988 (interest...

Recovery of interest overpaid under section 826(1)(a)

3 (1) In section 826 of the Taxes Act 1988 (interest...

Interest on underpaid tax where reliefs are carried back

4 (1) Section 87A of the Taxes Management Act 1970 (interest...

Interest on overpaid tax where reliefs are carried back

5 (1) Section 826 of the Taxes Act 1988 (interest on...

Company liquidations

6 (1) Section 342 of the Taxes Act 1988 (tax on...

Loan relationships

7 . . . . . .

SCHEDULE 5 — Rent and other receipts from land

Part I — MAIN CHARGING PROVISIONS

1 In section 15(1) of the Taxes Act 1988 (the Schedule...
2 In section 15 of the Taxes Act 1988 (the Schedule...
3 For the heading to Part II of the Taxes Act...
4 For section 21 of the Taxes Act 1988 (persons chargeable...
5 After section 21B of the Taxes Act 1988 (inserted by...
6 . . . . . .
7 . . . . . .
8 In section 27 of the Taxes Act 1988 (maintenance funds...
9 Section 28 of the Taxes Act 1988 (deductions from receipts...
10 Section 29 of the Taxes Act 1988 (sporting rights) shall...
11 In section 30(1) of the Taxes Act 1988 (expenditure on...
12 Section 31 of the Taxes Act 1988 (provisions supplementary to...
13 Section 33 of the Taxes Act 1988 (agricultural land: allowance...
14 Sections 33A and 33B of the Taxes Act 1988 (connected...
15 (1) Section 34 of the Taxes Act 1988 (treatment of...
16 (1) Section 35 of the Taxes Act 1988 (charge on...
17 (1) Section 36 of the Taxes Act 1988 (charge on...
18 (1) Section 37 of the Taxes Act 1988 (deductions from...
19 For the heading before section 40 of the Taxes Act...
20 (1) Section 40 of the Taxes Act 1988 (tax treatment...
21 Section 41 of the Taxes Act 1988 (relief for rent...
22 In section 42A of the Taxes Act 1988 (non-residents and...
23 In section 65 of the Taxes Act 1988 (Case IV...
24 . . . .
25 After section 70 of the Taxes Act 1988 (corporation tax:...

Part II — TREATMENT OF LOSSES

26 In Chapter I of Part X of the Taxes Act...
27 After that section insert— Losses from overseas property business. The provisions of section 379A apply in relation to an...
28 In Chapter II of Part X of the Taxes Act...
29 For section 403 of the Taxes Act 1988 (losses, etc....
30 In Chapter V of Part XII of the Taxes Act...
31 In Chapter VI of Part XVII of the Taxes Act...
32 In section 769 of the Taxes Act 1988 (rules for...

Part III — MINOR AND CONSEQUENTIAL AMENDMENTS

Taxes Management Act 1970 (c. 9)

33 . . . . . .

Income and Corporation Taxes Act 1988 (c.1)

34 In section 87(1) of the Taxes Act 1988 (treatment of...
35 In section 118 of the Taxes Act 1988 (limited partnerships:...
36 In section 400 of the Taxes Act 1988 (loss relief:...
37 (1) Section 404 of the Taxes Act 1988 (limitation of...
38 In section 413(6) of the Taxes Act 1988 (interpretation: meaning...
39 In Chapter I of Part XII of the Taxes Act...

40 . . . . . .
41 In section 441B of the Taxes Act 1988 (treatment of...
42 For section 503 of the Taxes Act 1988 (letting of...
43 In section 579 of the Taxes Act 1988, omit subsection...
44 In section 787(3) of the Taxes Act 1988 (restriction of...
45 . . . .
46 In Schedule 26 to the Taxes Act 1988 (allowance of...

Capital Allowances Act 1990 (c.1)

47 . . . . . .
48 . . . . . .
49 . . . . . .
50 . . . . . .
51 . . . . . .
52 . . . . . .
53 . . . . . .
54 . . . . . .
55 . . . . . .
56 . . . . . .
57 . . . . . .
58 . . . . . .
59 . . . . . .
60 . . . . . .
61 . . . . . .

Taxation of Chargeable Gains Act 1992 (c.12)

62 In section 241(3) of the Taxation of Chargeable Gains Act...
63 (1) Schedule 8 to the Taxation of Chargeable Gains Act...

Finance Act 1996 (c. 8)

64 (1) Schedule 8 to the Finance Act 1996 (loan relationships:...

Part IV — TRANSITIONAL PROVISIONS FOR CORPORATION TAX

Introduction

65 (1) This Part of this Schedule makes provision with respect...

Receipts and expenses not to be counted twice

66 (1) To the extent that receipts or expenses have been...

Receipts and expenses not to be left out of account

67 To the extent that receipts or expenses would under the...

Expenses not to be carried back to before commencement

68 Expenses which were incurred before commencement but were not taken...

Effect of transfer of underlying rights

69 If any estate, interest or rights in or over land...

Bad debt relief

70 (1) Where relief under section 41 of the Taxes Act...

Meaning of "taken into accoun"t

71 For the purposes of paragraphs 66 to 70 an amount...

Unrelieved Case VI losses

72 (1) A loss to which this paragraph applies which a...

Source ceasing in transitional accounting period

73 (1) The provisions of Parts I to III of this...

Superseded provisions relating to finance leasing

74 (1) In Schedule 12 to the Finance Act 1997 (leasing...

Computation of amounts available for surrender as group relief

75 In computing under section 403 of the Taxes Act 1988...

Meaning of "transitional accounting perio"d

76 For the purposes of paragraphs 73 and 75 a "transitional...

SCHEDULE 6 — Adjustment on change of accounting basis

Introduction

1

Adjustment on change of accounting basis

2

Calculation of adjustment

3

Spreading of adjustment charge in certain cases

4

Election to accelerate payment of adjustment charge

5

Application of provisions to partnerships

6

Liability of personal representatives in case of death of person chargeable

7

Interpretation

8

SCHEDULE 7 — Removal of unnecessary references to gains

1 In the Taxes Act 1988: sections ... ...
2 In the Finance Act 1988: ... Schedule 12, paragraph 2(2)....
3 In the Finance Act 1989: sections 67(2)(a) ... ...
4 . . . . . .
5 In the Finance Act 1990: section 126(2).
6 In the Finance Act 1991: section 121.
7 In the Taxation of Chargeable Gains Act 1992: sections 39(1)...
8 In the Finance (No. 2) Act 1992: section 42(8)...
9 In the Finance Act 1994: Schedule 24, paragraph 12(2).
10 In the Finance Act 1995: section 126(6) and (7).
11 In the Finance Act 1996: sections 80(2) (in the second...
12 In the Finance Act 1997: Schedule 12, paragraph 8(4)(a).

SCHEDULE 8 — Sub-contractors in the construction industry

Introductory

1 Chapter IV of Part XIII of the Taxes Act 1988...

Application of deductions to public departments Et ceteralaetc

2 (1) In section 559, after subsection (5) (excess of deduction...

Conditions for exemption of partnerships

3 (1) In subsection (2A) of section 564 (certificates for partnerships),...

Conditions of exemption for companies

4 (1) For subsections (2A) and (2B) of section 565 (certificates...

Commencement of paragraphs 3 and 4

5 Paragraphs 3 and 4 above have effect in relation to...

Powers to make regulations

6 In section 566 (powers to make regulations under Chapter IV),...

Transitional provision for commencement of 1995 Act amendments

7 An order under subsection (3) of section 139 of the...

SCHEDULE 9 — Payments and other benefits in connection with termination of employment etc

Part I — SCHEDULE 11 TO THE TAXES ACT 1988

Part II — CONSEQUENTIAL AMENDMENTS

Income and Corporation Taxes Act 1988 (c.1)

1 (1) Section 189 of the Taxes Act 1988 (exemption from...
2 In section 190 of the Taxes Act 1988 (payments to...
3 In section 202B(8) of the Taxes Act 1988 (receipts basis...
4 In section 833(3)(a) of the Taxes Act 1988 (calculation of...

Finance Act 1995 (c.4)

5 In section 92 of the Finance Act 1995 (post-employment deductions),...

SCHEDULE 10 — Ordinary commuting and private travel

SCHEDULE 11 — Transitional provisions for profit-related pay

Application of Schedule

1 —(1) This Schedule applies for the purposes of Chapter III...

Rule for determining section 171(4) limit

2 (1) The section 171(4) limit applicable to any profit-related pay...

Meaning of related scheme

3 (1) In the case of any employee a scheme is,...

Meaning of "relevant anniversar"y

4 For the purposes of this Schedule the relevant anniversary is—...

General interpretation

5 (1) Expressions used in this Schedule and in Chapter III...

SCHEDULE 12 — EIS and VCTs: meaning of qualifying trade

New exclusions for the enterprise investment scheme

1 (1) In subsection (2) of section 297 of the Taxes...

Definition of excluded activities for the enterprise investment scheme

2 (1) In subsection (5) of section 298 of the Taxes...

New exclusions for VCTs

3 (1) In sub-paragraph (2) of paragraph 4 of Schedule 28B...

Definition of excluded activities for VCTs

4 (1) In sub-paragraph (1) of paragraph 5 of that Schedule...

Commencement

5 (1) Paragraphs 1 and 2 above have effect in relation...

SCHEDULE 13 — Changes to EIS etc

Changes to legislation: *Finance Act 1998 is up to date with all changes known to be in force on or before 16 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

Part I — EIS INCOME TAX RELIEF

Eligibility for relief

1 (1) In subsection (1) of section 289 of the Taxes...

Form of relief

2 In subsection (4) of section 289A of the Taxes Act...

Attribution of relief to shares

3 (1) In subsection (3)(b) of section 289B of the Taxes...

Maximum subscriptions et ceteralaetc.

4 In subsection (2) of section 290 of the Taxes Act...
5 Section 290A of the Taxes Act 1988 shall cease to...

Individuals qualifying for relief

6 (1) In subsection (1) of section 291 of the Taxes...

Connected persons: directors

7 (1) In subsection (1)(a) of section 291A of the Taxes...

Connected persons: persons interested in capital et ceteralaetc.

8 (1) After subsection (5) of section 291B of the Taxes...

Qualifying companies and qualifying trades

9 (1) In subsection (3B)(b) of section 293 of the Taxes...
10 In subsection (1) of section 297 of the Taxes Act...
11 In subsection (1) of section 298 of the Taxes Act...

Disposal of shares

12 (1) In subsection (1) of section 299 of the Taxes...

Value received from company

13 (1) For subsection (1) of section 300 of the Taxes...
14 (1) After subsection (4) of section 301 of the Taxes...

Value received by persons other than claimants

15 (1) For subsections (1) to (2) of section 303 of...

Husband and wife

16 (1) After subsection (3) of section 304 of the Taxes...

Acquisition of share capital by new company

17 (1) After section 304 of the Taxes Act 1988 there...

Relief for loss on disposal of shares

18 (1) In subsection (2) of section 305A of the Taxes...

Claims

19 (1) In subsection (1) of section 306 of the Taxes...

Withdrawal of relief

20 (1) In subsection (1A) of section 307 of the Taxes...

Application to subsidiaries

21 In subsection (2) of section 308 of the Taxes Act...

Information

22 (1) In subsection (1) of section 310 of the Taxes...

Interpretation of Chapter 3III

23 (1) In subsection (1) of section 312 of the Taxes...

Part II — EIS RELIEF AGAINST CHARGEABLE GAINS

24 (1) In subsections (1) and (2) of section 150A of...

25 (1) In subsection (1) of section 150B of that Act...

Part III — EIS DEFERRAL OF CHARGEABLE GAINS

Preliminary

26 Schedule 5B to the Taxation of Chargeable Gains Act 1992...

Application of Schedule

27 (1) In sub-paragraph (1)(b) of paragraph 1, after the words...

Failure of conditions of application

28 After that paragraph there shall be inserted the following paragraph—...

Postponement of original gain

29 In sub-paragraph (3) of paragraph 2, for paragraph (a) there...

Chargeable events

30 (1) In sub-paragraph (1) of paragraph 3—

Gains accruing on chargeable event

31 (1) For sub-paragraphs (2) to (4) of paragraph 4 there...

Persons to whom gain accrues

32 In sub-paragraph (1) of paragraph 5, for paragraphs (c) and...

Claims

33 For paragraph 6 there shall be substituted the following paragraph—...

Reorganisations and reconstructions

34 After paragraph 6 there shall be inserted the following paragraphs—...

Anti-avoidance provisions

35 After paragraph 9 there shall be inserted the following paragraphs—...

Supplementary provisions

36 After paragraph 15 there shall be inserted the following paragraphs—...

Part IV — BES INCOME TAX RELIEF AND RELIEF AGAINST CHARGEABLE GAINS

37 Any reference in this Part to a provision of Chapter...
38 (1) In subsection (8) of section 293 of the Taxes...
39 (1) At the beginning of subsection (1) of section 299...
40 (1) After subsection (6) of section 304 of the Taxes...
41 (1) After that section there shall be inserted the following...
42 (1) In subsection (4)(a) of section 150 of the Taxation...

SCHEDULE 14 — Life policies, life annuities and capital redemption policies

Section 547

1 (1) Section 547 of the Taxes Act 1988 (method of...

Multiple interests

2 After section 547 of the Taxes Act 1988 there shall...

Right of company to recover tax from trustees

3 After section 551 of the Taxes Act 1988 (right of...

Foreign institution policies: no reduction under section 553

4 (1) Section 553 of the Taxes Act 1988 (non-resident policies...

Consequential amendments

5 In section 7(9) of the Taxes Management Act 1970 (meaning...
6 In section 151 of the Finance Act 1989 (assessment of...

Commencement

7 (1) . . . .

SCHEDULE 15 — Approved retirement benefits schemes

Amendment of section 591C of the Taxes Act 1988

1 (1) Section 591C of the Taxes Act 1988 (charge to...

Amendment of section 591D

2 (1) In section 591D(3) of the Taxes Act 1988 (persons...

Application for scheme approval

3 (1) In subsection (1) of section 604 of the Taxes...

Information powers

4 In section 605(1B) of the Taxes Act 1988 (matters about...

Employers responsible for discharging administrator's duties

5 (1) Section 606 of the Taxes Act 1988 (persons responsible...

Recourse to scheme members in respect of section 591C charge

6 (1) After section 606 of the Taxes Act 1988 there...

Modification of certain existing approved schemes

7 (1) This paragraph applies in relation to any retirement benefits...

SCHEDULE 16 — Transfer pricing etc: new regime

SCHEDULE 17 — Controlled foreign companies

Section 747

1 (1) Section 747 of the Taxes Act 1988 (imputation of...

Section 747A

2 (1) Section 747A of the Taxes Act 1988 (special rule...

Section 748

3 (1) Section 748 of the Taxes Act 1988 (limitations on...

Section 749

4 For section 749 of the Taxes Act 1988 (residence and...

Section 750

5 (1) Section 750 of the Taxes Act 1988 (territories with...

Section 751

6 (1) Section 751 of the Taxes Act 1988 (accounting periods...

Section 752

7 For section 752 of the Taxes Act 1988 (apportionment of...

Section 753

8 Section 753 of the Taxes Act 1988 (notices and appeals)...

Section 754

9 (1) Section 754 of the Taxes Act 1988 (assessment, recovery...

Returns where it is not established whether acceptable distribution policy applies

10 After section 754 of the Taxes Act 1988 there shall...

Determinations requiring the sanction of the Board

11 After section 754A of the Taxes Act 1988 there shall...

Section 755

12 Section 755 of the Taxes Act 1988 (information relating to...

Treatment of chargeable profits and creditable tax apportioned to company carrying on life assurance business

13 After section 755 of the Taxes Act 1988 there shall...

Amendment of return where general insurance business of foreign company accounted for on non-annual basis

14 After section 755A of the Taxes Act 1988 there shall...

Application of Chapter where general insurance business of foreign company accounted for on non-annual basis.

15 After section 755B of the Taxes Act 1988 there shall...

Section 756

16 (1) Section 756 of the Taxes Act 1988 (interpretation and...

Paragraph 1 of Schedule 24

17 (1) In Schedule 24 to the Taxes Act 1988 (assumptions...

Paragraph 2 of Schedule 24

18 In paragraph 2(1) of Schedule 24 to the Taxes Act...

Paragraph 4 of Schedule 24

19 (1) Paragraph 4 of Schedule 24 to the Taxes Act...

Paragraph 9 of Schedule 24

20 (1) Paragraph 9 of Schedule 24 to the Taxes Act...

Paragraph 10 of Schedule 24

21 In paragraph 10 of Schedule 24 to the Taxes Act...

Paragraph 11 of Schedule 24

22 Paragraph 11 of Schedule 24 to the Taxes Act 1988...

Paragraph 11A of Schedule 24

23 In paragraph 11A of Schedule 24 to the Taxes Act...

Transfer pricing

24 After paragraph 19 of Schedule 24 to the Taxes Act...

Schedule 25

25 For the heading to Schedule 25 to the Taxes Act...

Paragraph 1 of Schedule 25

26 In paragraph 1 of Schedule 25 to the Taxes Act...

Paragraph 2A of Schedule 25

27 (1) Paragraph 2A of Schedule 25 to the Taxes Act...

Paragraph 3 of Schedule 25

28 In paragraph 3(4A) of Schedule 25 to the Taxes Act...

Paragraph 5 of Schedule 25

29 In paragraph 5(2)(a) of Schedule 25 to the Taxes Act...

Paragraph 6 of Schedule 25

30 (1) Paragraph 6 of Schedule 25 to the Taxes Act...

Paragraph 8 of Schedule 25

31 (1) Paragraph 8 of Schedule 25 to the Taxes Act...

Paragraph 12 of Schedule 25

32 (1) Paragraph 12 of Schedule 25 to the Taxes Act...

Superior holding companies: supplementary provisions

33 After paragraph 12 of Schedule 25 to the Taxes Act...

Paragraph 1 of Schedule 26

34 (1) In Schedule 26 to the Taxes Act 1988 (reliefs...

Paragraph 3 of Schedule 26

35 (1) Paragraph 3 of Schedule 26 to the Taxes Act...

Paragraph 4 of Schedule 26

36 (1) Paragraph 4 of Schedule 26 to the Taxes Act...

Commencement and transitional provision

37 (1) The preceding provisions of this Schedule have effect as...

SCHEDULE 18 — Company tax returns, assessments and related matters
Part I — INTRODUCTION

Meaning of "ta"x

1 In this Schedule "tax" means corporation tax including, except as...

Duty to give notice of chargeability

2 (1) A company which— (a) is chargeable to tax for...

Part II — COMPANY TAX RETURN

Company tax return

3 (1) An officer of Revenue and Customs may by notice...

3A (1) Her Majesty's Revenue and Customs may from time to...

Meaning of delivery of return

4 References in this Schedule to the delivery of a company...

Period for which return required

5 (1) A notice requiring a company tax return must specify...

Notice relating to period beginning before appointed day

6 (1) A notice requiring a company tax return may be...

Return to include self-assessment

7 (1) Every company tax return for an accounting period must...

Residential property developer tax

7A (1) A residential property developer must include in its company...

Energy (oil and gas) profits levy

7B (1) A company which has made any qualifying levy profits...

Calculation of tax payable

8 (1) The amount of tax payable for an accounting period...

Claims that cannot be made without a return

9 (1) No claim to which this paragraph applies may be...

Other claims and elections to be included in return

10 (1) In Part VII of this Schedule (general provisions as...

Accounts required in case of Companies Act company

11 (1) In the case of a company which—

Information about business carried on in partnership

12 (1) A company tax return of a company which carries...

Information about chargeable gains

13 (1) A notice requiring a company tax return may require...

Filing date

14 (1) The filing date for a company tax return is...

Amendment of return by company

15 (1) A company may amend its company tax return by...

Correction of return by Revenue

16 (1) An officer of Revenue and Customs may amend a...

Failure to deliver return: flat-rate penalty

17 (1) A company which is required to deliver a company...

Failure to deliver return: tax-related penalty

18 (1) A company which is required to deliver a company...

Excuse for late delivery of return

19 A company is not liable to a penalty under paragraph...

Penalty for incorrect or uncorrected return

20 (1) A company which— (a) fraudulently or negligently delivers a...

Voluntary returns

20A (1) This paragraph applies where— (a) a company delivers a...

Part III — DUTY TO KEEP AND PRESERVE RECORDS

Duty to keep and preserve records

21 (1) A company which may be required to deliver a...

Preservation of information etc

22 (1) The duty under paragraph 21 to preserve records may...

Penalty for failure to keep and preserve records

23 (1) A company which fails to comply with paragraph 21...

Part IV — ENQUIRY INTO COMPANY TAX RETURN

Notice of enquiry

24 (1) An officer of Revenue and Customs may enquire into...

Scope of enquiry

25 (1) An enquiry into a company tax return extends to...

Enquiry into return for wrong period

26 (1) In the case of a company tax return which...

Notice to produce documents, etc. for purposes of enquiry

27 (1) If an officer of Revenue and Customs gives a...

Appeal against notice to produce documents, etc

28 (1) An appeal may be brought against a requirement imposed...

Penalty for failure to produce documents, etc

29 (1) A company which fails to comply with a notice...

Amendment of self-assessment during enquiry to prevent loss of tax

30 (1) If after notice of enquiry has been given and...

Amendment of return by company during enquiry

31 (1) This paragraph applies if a company amends its company...

Referral of questions to the tribunal during enquiry

31A (1) At any time when an enquiry is in progress...

Withdrawal of notice of referral

31B (1) An officer of Revenue and Customs or the company...

Effect of referral on enquiry

31C (1) While proceedings on a referral under paragraph 31A are...

Effect of determination

31D (1) The determination of a question referred to the tribunal...

Completion of enquiry

32 (1) Any matter to which an enquiry relates is completed...

Direction to complete enquiry

33 (1) The company may apply to the tribunal for a...

Amendment of return after enquiry

34 (1) This paragraph applies where a partial or final closure...

Further return for outstanding period

35 (1) Where, following an enquiry into a company tax return—...

Part V — REVENUE DETERMINATIONS AND ASSESSMENTS

Determination of tax payable if no return delivered in response to notice

36 (1) If no return is delivered in response to a...

Determination of tax payable if notice complied with in part

37 (1) If a notice requiring a company tax return is...

Extent of power to make determination

38 (1) The power to make a determination under paragraph 36...

Determination to have effect as self-assessment

39 (1) A determination under paragraph 36 or 37 has effect...

Determination superseded by actual self-assessment

40 (1) If after a determination has been made under paragraph...

Assessment where loss of tax discovered or determination of amount discovered to be incorrect

41 (1) If an officer of Revenue and Customs discovers as...

Restrictions on power to make discovery assessment or determination

42 (1) The power to make— (a) a discovery assessment for...

Loss of tax brought about carelessly or deliberately

43 A discovery assessment for an accounting period for which the...

Situation not disclosed by return or related documents etc.

44 (1) A discovery assessment for an accounting period for which...

Return made in accordance with prevailing practice

45 No discovery assessment for an accounting period for which the...

General time limits for assessments

46 (1) Subject to any provision of the Taxes Acts allowing...

Assessment procedure

47 (1) Notice of an assessment to tax on a company...

Appeal against assessment

48 (1) An appeal may be brought against any assessment to...

Application of provisions to discovery determinations

49 The provisions of paragraphs 46 to 48 (assessments: general provisions...

Transfer pricing records: carelessness

49A (1) This paragraph applies where— (a) the situation mentioned in...

Part VI — OVERPAID TAX, EXCESSIVE ASSESSMENTS OR REPAYMENTS, ETC

Relief in case of double assessment

50 (1) A company which believes it has been assessed to...

Claim for relief for overpaid tax etc

51 (1) This paragraph applies where— (a) a person has paid...

Cases in which Commissioners not liable to give effect to a claim

51A (1) The Commissioners for Her Majesty's Revenue and Customs are...

Making a claim

51B (1) A claim under paragraph 51 may not be made...

Determinations under paragraphs 36 and 37: special rules

51BA (1) This paragraph applies where— (a) a determination has been...

The claimant: one person accountable for amounts payable by another

51C (1) Sub-paragraph (2) applies where a person (“P”) is accountable...

The claimant: partnerships

51D (1) This paragraph applies where— (a) a trade, profession or...

Assessment of claimant in connection with claim

51E (1) This paragraph applies where— (a) a claim is made...

Amendment of partnership return etc in connection with claim

51F (1) This paragraph applies where— (a) a claim is made...

Contract settlements

51G (1) In paragraph 51(1)(a) the reference to an amount paid...

Recovery of excessive repayments etc

52 (1) The provisions of paragraphs 41 to 48 relating to...

Time limit for recovery of excessive repayments, etc.

53 (1) An assessment made by virtue of paragraph 52 is...

Part VII — GENERAL PROVISIONS AS TO CLAIMS AND ELECTIONS

Claims must be quantified

54 A claim under any provision of the Corporation Tax Acts...

General time limit for making claims

55 Subject to any provision prescribing a longer or shorter period,...

Supplementary claim or election

56 A company which has made a claim or election under...

Claims or elections affecting a single accounting period

57 (1) This paragraph applies to a claim or election for...

Claims or elections involving more than one accounting period

58 (1) This paragraph applies to a claim or election for...

Other claims and elections

59 (1) Schedule 1A to the Taxes Management Act 1970 applies...

Provisions supplementary to paragraphs 57 to 59

60 (1) Paragraphs 57 to 59 have effect subject to any...

Consequential claims, etc. arising out of certain Revenue amendments or assessments

61 (1) Paragraphs 62 to 64 have effect to allow certain...

Consequential claims etc that may be made

62 (1) A claim, election, application or notice to which this...

Consequential claims etc. affecting tax liability of another person

63 (1) If the effect of the exercise by any person...

Consequential claims etc. not to give rise to reduction in liability

64 (1) If in any case— (a) one or more claims,...

Consequential claims in case of loss of tax brought about carelessly or deliberately

65 (1) This paragraph applies where an assessment is made on...

Part VIII — CLAIMS FOR GROUP RELIEF AND GROUP RELIEF FOR CARRIED-FORWARD LOSSES

Introduction

66 (1) This Part of this Schedule applies to—

Claim to be included in company tax return

67 (1) A claim ... must be made by being included...

Content of claims

68 (1) A claim ... must specify— (a) the amount of...

Claims for more or less than the amount available for surrender

69 (1) A claim ... may be made for less than...

Consent to surrender

70 (1) In accordance with Requirement 1 in section 130(2), 135(2),...

Notice of consent

71 (1) Notice of consent by the surrendering company must contain...

Notice of consent: additional requirements where claim is for group relief for carried-forward losses

71A (1) Where notice of consent by the surrendering company is...

Notice of consent requiring amendment of return

72 (1) Where notice of consent by the surrendering company relates...

Withdrawal or amendment of claim

73 (1) A claim ... may be withdrawn by the claimant...

Time limit for claims

74 (1) A claim ... may be made or withdrawn at...

Reduction in amount available for surrender

75 (1) This paragraph applies if, after the surrendering company has...

Assessment on other claimant companies

75A (1) This paragraph applies where, after the surrendering company has...

Assessment to recover excessive ... relief

76 (1) If an officer of Revenue and Customs discovers that...

Joint amended returns

77 (1) The Treasury may by regulations make provision for arrangements...

Claims in respect of overseas losses of non-resident companies

77A (1) This paragraph applies if a claim for group relief...

PART 8A — CLAIMS FOR ALLOCATION OF SURPLUS DUAL INCLUSION INCOME

Introduction

77B (1) This Part of this Schedule applies to allocation claims...

Claims to be included in company tax return

77C (1) An allocation claim must be made by being included...

Consent to allocation claim

77D (1) In accordance with Requirement 1 in section 259ZMB of...

Notice of consent

77E (1) Notice of consent to an allocation claim given by...

Notice of consent requiring amendment of return

77F (1) Where company A gives notice of consent to an...

Withdrawal or amendment of allocation claim

77G (1) An allocation claim may be withdrawn by company B...

Time limit for allocation claims

77H (1) An allocation claim may be made or withdrawn at...

Reduction in DII surplus

77I (1) This paragraph applies if, after company A has given...

Assessments on other companies

77J (1) This paragraph applies where, after company A has given...

Assessment to recover excessive amount claimed

77K (1) If an officer of Revenue and Customs discovers that...

Joint amended returns

77L (1) The Treasury may by regulations make provision for arrangements...

Part IX — CLAIMS FOR CAPITAL ALLOWANCES

Introduction

78 This Part of this Schedule applies to claims for allowances...

Claim to be included in company tax return

79 (1) A claim for capital allowances must be included in...

Content of claims

80 A claim for capital allowances must specify the amount claimed,...

Amendment or withdrawal of claim

81 A claim for capital allowances may be amended or withdrawn...

Time limit for claims

82 (1) A claim for capital allowances may be made, amended...

Consequential amendment of return for another accounting period

83 (1) This paragraph applies if the effect of a claim...

83ZA (1) Subject as follows, this Part of this Schedule applies...

Part IXA — CLAIMS FOR R&D EXPENDITURE CREDITS OR R&D TAX RELIEF

Introduction

83A This Part of this Schedule applies to claims for relief...

Claim to be included in company tax return

83B (1) A claim to which this Part of this Schedule...

Content of claim

83C A claim to which this Part of this Schedule applies...

Amendment or withdrawal of claim

83D A claim to which this Part of this Schedule applies...

Time limit for claims

83E (1) Except where sub-paragraph (3) applies, a claim to which...

Additional information to be provided in relation to claim

83EA (1) A claim to which this Part of this Schedule...

Removal from return of claims made in error

83EB (1) This paragraph applies, in relation to a claim to...

Penalty

83F (1) The company is liable to a penalty where it—...

Part 9B — CLAIMS RELATING TO REMEDIATION OF CONTAMINATED OR DERELICT LAND

Introduction

83G This Part of this Schedule applies to claims for—

Claim to be included in company tax return

83H (1) A claim for a land remediation tax credit or...

Content of claim

83I A claim for a land remediation tax credit or a...

Amendment or withdrawal of claim

83J A claim for a land remediation tax credit or a...

Time limit for claims

83K (1) A claim for a land remediation tax credit or...

Penalty

83L (1) The company is liable to a penalty where it—...

PART 9BA — CLAIMS FOR RELIEF UNDER SCHEDULE 12 TO THE FINANCE ACT 2002

Introduction

83LA This Part of this Schedule applies to claims for relief...

Claim to be included in company tax return

83LB (1) A claim to which this Part of this Schedule...

Content of claim

83LC A claim to which this Part of this Schedule applies...

Amendment or withdrawal of claim

83LD A claim to which this Part of this Schedule applies...

Time limit for claims

83LE (1) A claim to which this Part of this Schedule...

PART 9C — CLAIMS FOR RELIEF UNDER SCHEDULE 13 TO THE FINANCE ACT 2002

. . . .

PART 9D — CLAIMS UNDER PARTS 14A TO 15E OF THE CORPORATION TAX ACT 2009

Introduction

83S This Part of this Schedule applies to claims for —...

Claim to be included in company tax return

83T (1) A claim to which this Part of this Schedule...

Content of claim

83U A claim to which this Part of this Schedule applies...

Amendment or withdrawal of claim

83V A claim to which this Part of this Schedule applies...

Time limits for claim

83W (1) A claim to which this part of this Schedule...

Additional information to be provided in relation to claim

83WA The Commissioners for His Majesty's Revenue and Customs may by...

Penalty

83X (3) The company is liable to a penalty where it—...

PART 9E — DESIGNATION OF LOSSES AS UNRESTRICTED LOSSES FOR THE PURPOSES OF CHAPTER 3 OF PART 7A OF THE CORPORATION TAX ACT 2010

Introduction

83Y (1) This Part of this Schedule applies to the designation...

Designation to be made in company tax return

83YA (1) A designation to which this Part of this Schedule...

Identification of losses

83YB Where a company designates any relevant carried-forward loss in a...

Amendment or withdrawal of designation

83YC A designation to which this Part of this Schedule applies...

Part X — SPECIAL PROVISIONS

Choice between different Cases of Schedule D

84 (1) This paragraph applies where amounts may be brought into...

Non-annual accounting of general insurance business

85 (1) This paragraph applies where a company carrying on insurance...

Insurance companies with non-annual actuarial investigations

86 (1) This paragraph applies where a company tax return is...

Friendly societies with non-annual actuarial investigations

87 (1) This paragraph applies where a company tax return is...

PART 10A — SEs

Company ceasing to be UK resident on formation of SE by merger

87A (1) Sub-paragraph (2) applies if at any time a company...

SE ceasing to be UK resident

87B (1) Sub-paragraph (2) applies if at any time an SE—...

Meaning of SE

87C In this Part " SE " means a European public...

Part XI — SUPPLEMENTARY PROVISIONS

Conclusiveness of amounts stated in return

88 (1) This paragraph applies to an amount stated in a...

Security for payments

88A (1) The Commissioners for Her Majesty's Revenue and Customs may...

Penalty for fraud or negligence

89 (1) A company which fraudulently or negligently—

Multiple tax-related penalties in respect of same accounting period

90 (1) This paragraph applies where a company incurs more than...

UK Economic Interest Groupings and European Economic Interest Groupings

91 An act or omission such as is mentioned in section...

Notices of appeal

92 (1) This paragraph applies in relation to any appeal under...

General jurisdiction of Special or General Commissioners

93 (1) This paragraph applies in relation to an appeal against—...

Election to take appeal to Special Commissioners

94 (1) The appellant may elect (in accordance with section 46(1)...

Meaning of "the Inland Revenu"e

95 (1) References in this Schedule to " the Inland Revenue...

The self-assessment appointed day

96 In this Schedule "the self-assessment appointed day" means the day...

Construction of references to assessment

97 Any reference in the Tax Acts (however expressed) to a...

Meaning of TIOPA 2010

97A In this Schedule " TIOPA 2010 " means the Taxation...

Index of defined expressions

98 In this Schedule the expressions listed below are defined or...

SCHEDULE 19 — Company tax returns, etc.: minor and consequential amendments

Taxes Management Act 1970 (c.9)

1 The following provisions of the Taxes Management Act 1970 shall...
2 In section 12(2) of the Taxes Management Act 1970 (information...
3 In section 12AA(7) of the Taxes Management Act 1970 (partnership...
4 . . . . . .
5 . . . . . .
6 In section 12B(1) of the Taxes Management Act 1970 (records...
7 In section 19A(1) of the Taxes Management Act 1970 (power...
8 . . . . . .
9 Sections 28AA and 28AB of the Taxes Management Act 1970...
10 . . . . . .
11 Sections 28D, 28E and 28F of the Taxes Management Act...
12 (1) Section 29 of the Taxes Management Act 1970 (assessment...
13 (1) Section 30 of the Taxes Management Act 1970 (recovery...
14 (1) Section 30B of the Taxes Management Act 1970 (amendment...
15 (1) Section 33 of the Taxes Management Act 1970 (error...
16 (1) Section 33A of the Taxes Management Act 1970 (error...
17 In section 34(1) of the Taxes Management Act 1970 (ordinary...
18 In section 36(1) of the Taxes Management Act 1970 (fraudulent...
19 Sections 41A, 41B and 41C of the Taxes Management Act...
20 (1) Section 42 of the Taxes Management Act 1970 (procedure...
21 In section 43 of the Taxes Management Act 1970, for...

22 (1) Section 43A of the Taxes Management Act 1970 (further...
23 In section 46(2) of the Taxes Management Act 1970 (determinations...
24 . . . . . .
25 . . . . . .
26 . . . . . .
27 (1) Section 50 of the Taxes Management Act 1970 (procedure)...
28 In section 55(1) of the Taxes Management Act 1970 (recovery...
29 (1) In Part VA of the Taxes Management Act 1970...
30 (1) Section 65 of the Taxes Management Act 1970 (recovery...
31 . . . . . .
32 In section 70(2)(a) of the Taxes Management Act 1970 (certificate...
33 Section 94 of the Taxes Management Act 1970 (penalty for...
34 Section 96 of the Taxes Management Act 1970 (incorrect return...
35 In section 97 of the Taxes Management Act 1970 (incorrect...
36 In section 97AA(1) of the Taxes Management Act 1970 (penalty...
37 In section 97A of the Taxes Management Act 1970 (two...
38 In section 100(6)(a) of the Taxes Management Act 1970 (determination...
39 For section 101 of the Taxes Management Act 1970 (evidence...
40 In section 103A of the Taxes Management Act 1970 (interest...
41 In section 113(1B) of the Taxes Management Act 1970 (Revenue...
42 (1) Schedule 1A to the Taxes Management Act 1970 (claims,...
43 (1) Schedule 3A to the Taxes Management Act 1970 (electronic...

Income and Corporation Taxes Act 1988 (c.1)

44 (1) Section 246Q of the Taxes Act 1988 (repayment or...
45 (1) Section 246U of the Taxes Act 1988 (repayments treated...
46 For section 412 of the Taxes Act 1988 (group relief:...
47 (1) Section 419 of the Taxes Act 1988 (tax on...
48 (1) Section 488 of the Taxes Act 1988 (co-operative housing...
49 In section 489 of the Taxes Act 1988 (self-build societies),...
50 (1) Schedule 13A to the Taxes Act 1988 (surrenders of...
51 . . . . . .

SCHEDULE 20 — Application of taper relief

SCHEDULE 21 — Amendments in connection with taper relief

Introductory

1 The Taxation of Chargeable Gains Act 1992 shall be amended...

Gains of trustees attributed to settlor

2 In section 2 (persons and gains chargeable to capital gains...

Annual exempt amount

3 For subsection (5) of section 3 (definition of taxable amount)...

Gains attributed to members of non-resident companies

4 In section 13 (gains attributed to members of non-resident companies),...

Carry back of losses on death

5 In section 62 (general provisions about death), the following subsections...

Gains attributed to settlors and beneficiaries

6 (1) In section 77 (attribution of gains to settlor with...

Gains on assets deriving from reorganisation of body carrying on a mutual business etc.

7 In Chapter IV of Part VI (special cases), before section...

Commercial letting of furnished holiday dwellings

8 In section 241(3) (provisions for the purposes of which letting...

Delayed remittances in respect of foreign assets

9 In section 279(2)(a) (deductions in respect of unremitted gains), after...

SCHEDULE 22 — Transitional provision and consequential amendments for section 131

Introductory

1 The Taxation of Chargeable Gains Act 1992 shall be amended...

Transitional for settlements created before 17th March 1998

2 (1) In the words at the end of sub-paragraph (1)...

Consequential amendments of paragraphs 4 and 5 of Schedule 5 to the 1992 Act

3 (1) In paragraphs 4(1)(a) and 5(1)(a) of Schedule 5 (disapplication...

Consequential amendment of paragraph 9 of Schedule 5 to the 1992 Act

4 (1) In sub-paragraph (7) of paragraph 9 of Schedule 5...

Consequential amendment of Schedule 5A

5 (1) In paragraph 2(1) of Schedule 5A (returns in relation...

SCHEDULE 23 — Transitional provision in connection with section 132

Pre-6th April 1999 gains and losses of settlements that become qualifying

1 (1) This paragraph applies to a settlement in the case...

Pre-6th April 1999 gains and losses where there is a transfer to another settlement

2 (1) This paragraph applies, subject to sub-paragraph (5) below, to...

Pre-6th April 1999 gains and losses where there is a transfer to a foreign institution

3 (1) This paragraph applies, subject to sub-paragraphs (4) and (6)...

Rule to prevent a double charge

4 (1) This paragraph applies, in the case of a person...
5 (1) Where in the case of any settlement there is...

Interpretation of Schedule

6 (1) In this Schedule— "the 1992 Act" means the Taxation...

SCHEDULE 24 — Restrictions on setting losses against pre-entry gains

SCHEDULE 25 — Property of historic interest etc

Meaning of "the 1984 Ac"t

1 In this Schedule "the 1984 Act" means the Inheritance Tax...

Claims for designation

2 (1) In section 30 of the 1984 Act (conditionally exempt...
3 (1) In section 78 of the 1984 Act (conditionally exempt...

Property capable of designation

4 (1) In section 31 of the 1984 Act, in subsection...

Access to designated property

5 (1) In section 31 of the 1984 Act (designation of...

Publication of information about designated property

6 (1) In section 31 of the 1984 Act (designation of...

Undertakings on death, disposal of property, etc.

7 (1) In section 32 of the 1984 Act (chargeable events...

Variation of undertakings

8 (1) After section 35 of the 1984 Act there shall...
9 (1) In section 258 of the Taxation of Chargeable Gains...
10 (1) Section 35A of the 1984 Act applies in relation...

SCHEDULE 26 — National loans

Amendment of National Loans Act 1968 (c.13)

1 (1) The National Loans Act 1968 shall be amended as...

Amendment of Finance Act 1993 (c.34)

2 Section 211 of the Finance Act 1993 (National Debt Commissioners:...

Commencement

3 (1) The amendments made by this Schedule shall have effect...

SCHEDULE 27 — Repeals
Part I — EXCISE DUTIES

(1)

DRAWBACK OF DUTY ON BEER

(2)

HYDROCARBON OIL DUTY

(3)

VEHICLE EXCISE DUTY: RATES WHERE POLLUTION REDUCED

(4)

VEHICLE EXCISE AND REGISTRATION: NIL LICENCES

(5)

ASSESSMENTS FOR EXCISE DUTY PURPOSES

Part II — VALUE ADDED TAX
Part III — INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

(1)

RELIEF FOR QUALIFYING MAINTENANCE PAYMENTS

(2)

ADVANCE CORPORATION TAX

(3)

INTEREST ON GILT-EDGED SECURITIES

(4)

RENTS AND OTHER RECEIPTS FROM LAND

(5)

LAND MANAGED AS ONE ESTATE ETC.

(6)

COMPUTATION OF PROFITS OF TRADE, PROFESSION OR VOCATION

(7)

CONSTRUCTION WORKERS SUPPLIED BY AGENCIES

(8)

SUB-CONTRACTORS IN THE CONSTRUCTION INDUSTRY

(9)

PAYMENTS AND OTHER BENEFITS IN CONNECTION WITH TERMINATION OF EMPLOYMENT ETC.

(10)

TRAVELLING EXPENSES

(11)

FOREIGN EARNINGS DEDUCTION

(12)

PAYE: APPLICATION TO NON-CASH BENEFITS

(13)

THE ENTERPRISE INVESTMENT SCHEME AND VENTURE CAPITAL TRUSTS

(14)

OTHER CHANGES TO EIS ETC.

(15)

INDIVIDUAL SAVINGS ACCOUNTS

(16)

RELIEF FOR LOSSES ON UNLISTED SHARES IN TRADING COMPANIES

(17)

CARRY FORWARD OF NON-TRADING DEFICIT ON LOAN RELATIONSHIPS

(18)

CAPITAL ALLOWANCES

(19)

LIFE POLICIES, LIFE ANNUITIES AND CAPITAL REDEMPTION POLICIES

(20)

RETIREMENT BENEFIT SCHEMES

(21)

PERSONAL PENSION SCHEMES

(22)

ACCRUED INCOME

(23)

DEALERS IN SECURITIES ETC

(24)

DISTRIBUTIONS AND MANUFACTURED DIVIDENDS: MISCELLANEOUS AMENDMENTS

(25)

TRANSFER PRICING ETC

(26)

DIRECTIONS BY THE BOARD

(27)

CONTROLLED FOREIGN COMPANIES

(28)

COMPANY TAX RETURNS ETC.

(29)

CHARGEABLE GAINS: APPLICABLE RATE

(30)

CHARGEABLE GAINS: OFFSHORE SETTLEMENTS

(31)

RETIREMENT RELIEF

(32)

ABOLITION OF CERTAIN CGT RELIEFS

Part IV — INHERITANCE TAX
Part V — OTHER TAXES

(1)

INSURANCE PREMIUM TAX

(2)

STAMP DUTY

(3)

ABOLITION OF GAS LEVY

(4)

DUMPING AND SUBSIDIES

Part VI — MISCELLANEOUS

(1)

TREASURY BILLS

(2)

SECURITIES

Changes to legislation:
Finance Act 1998 is up to date with all changes known to be in force on or before 16 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.
View outstanding changes

Changes and effects yet to be applied to :

- s. 106(4)-(9) repealed by 2013 c. 2 Sch. 1 Pt. 10 Group 1 (This amendment not applied to legislation.gov.uk. S. 106 already repealed (1.4.2010) by 2010 c. 8, s. 381(1), Sch. 10 Pt. 1)
- Sch. 18 para. 56 applied by 1988 c. 1 s. 339(3B)(b) (as inserted) by S.I. 2010/157 art. 5(1) (This amendment not applied to legislation.gov.uk. ICTA 1988 (c. 1), s. 339 is repealed on 1.4.2010)
- Sch. 18 para. 62 applied by 1988 c. 1 s. 339(3B)(b) (as inserted) by S.I. 2010/157 art. 5(1) (This amendment not applied to legislation.gov.uk. ICTA 1988 (c. 1), s. 339 is repealed on 1.4.2010)
- Sch. 18 para. 74 applied by 2010 c. 4, s. 329I(7) (as inserted) by 2014 c. 26 Sch. 14 para. 1 (This amendment not applied to legislation.gov.uk. The affecting Sch. 14 is repealed (with effect in accordance with Sch. 11 para. 14 of the amending Act) by Finance Act 2015 (c. 11), Sch. 11 para. 13(2))
- Sch. 18 para. 74 applied by 2010 c. 4, s. 329N(3) (as inserted) by 2014 c. 26 Sch. 14 para. 1 (This amendment not applied to legislation.gov.uk. The affecting Sch. 14 is repealed (with effect in accordance with Sch. 11 para. 14 of the amending Act) by Finance Act 2015 (c. 11), Sch. 11 para. 13(2))
- Sch. 18 para. 10(5)-(7) omitted by 2024 c. 3 Sch. 2 para. 10(2)
- Sch. 18 para. 52(2B)(b)-(d) omitted by 2024 c. 3 Sch. 2 para. 10(3)
- Sch. 18 para. 83S(a)-(c) omitted by 2024 c. 3 Sch. 2 para. 10(4)
- Sch. 18 para. 93(1)(b) word substituted by 2008 c. 9 s. 119(11) (This amendment not applied to legislation.gov.uk. Sch. 18 para. 93 already 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. 267)
- Sch. 18 para. 27(5)(b) word substituted by S.I. 2009/56 Sch. 1 para. 254 (This amendment not applied to legislation.gov.uk. Sch. 18 para. 27 omitted (1.4.2009) by virtue of Finance Act 2008 (c. 9), s. 113(2), Sch. 36 para. 88 (with Sch. 36 para. 38); S.I. 2009/404, art. 2 (with arts. 7, 8))
- Sch. 18 para. 28(5)(6) word substituted by S.I. 2009/56 Sch. 1 para. 255(4) (This amendment not applied to legislation.gov.uk. Sch. 18 para. 28 omitted (1.4.2009) by virtue of Finance Act 2008 (c. 9), s. 113(2), Sch. 36 para. 88 (with Sch. 36 para. 38); S.I. 2009/404, art. 2 (with arts. 7, 8))
- Sch. 18 para. 83F(1)(a) words inserted by 2009 c. 4 Sch. 1 para. 454(8)(a) (This amendment not applied to legislation.gov.uk. Sch. 18 para. 83F omitted (1.4.2009) by virtue of Finance Act 2008 (c. 9), s. 122(2), Sch. 40 para. 21(f); S.I. 2009/571, art. 2)
- Sch. 18 para. 83F(1)(b) words inserted by 2009 c. 4 Sch. 1 para. 454(8)(b) (This amendment not applied to legislation.gov.uk. Sch. 18 para. 83F omitted (1.4.2009) by virtue of Finance Act 2008 (c. 9), s. 122(2), Sch. 40 para. 21(f); S.I. 2009/571, art. 2)
- Sch. 18 para. 28(3) words omitted by S.I. 2009/56 Sch. 1 para. 255(2) (This amendment not applied to legislation.gov.uk. Sch. 18 para. 28 omitted (1.4.2009) by virtue of Finance Act 2008 (c. 9), s. 113(2), Sch. 36 para. 88 (with Sch. 36 para. 38); S.I. 2009/404, art. 2 (with arts. 7, 8))
- Sch. 18 para. 28(4) words omitted by S.I. 2009/56 Sch. 1 para. 255(3)(b) (This amendment not applied to legislation.gov.uk. Sch. 18 para. 28 omitted (1.4.2009) by virtue of Finance Act 2008 (c. 9), s. 113(2), Sch. 36 para. 88 (with Sch. 36 para. 38); S.I. 2009/404, art. 2 (with arts. 7, 8))
- Sch. 18 para. 51(1)(c) words substituted by 2008 c. 9 Sch. 39 para. 43 (This amendment not applied to legislation.gov.uk. Sch. 18 paras. 51-51G and cross-

headings already substituted for Sch. 18 para. 51 (with effect in accordance with s. 100(2) of the amending Act) by Finance Act 2009 (c. 10), Sch. 52 para. 13)

– Sch. 18 para. 2(4) words substituted by 2010 c. 4 Sch. 1 para. 297(3)(a) (This amendment not applied to legislation.gov.uk. Sch. 18 para. 2(4) already omitted omitted (with effect in accordance with art. 3 of the commencing S.I.) by virtue of Finance Act 2008 (c. 9), s. 123(2), Sch. 41 para. 25(j); S.I. 2009/511, art. 2 (with art. 4))
– Sch. 18 para. 2(4) words substituted by 2010 c. 4 Sch. 1 para. 297(3)(b) (This amendment not applied to legislation.gov.uk. Sch. 18 para. 2(4) already omitted omitted (with effect in accordance with art. 3 of the commencing S.I.) by virtue of Finance Act 2008 (c. 9), s. 123(2), Sch. 41 para. 25(j); S.I. 2009/511, art. 2 (with art. 4))
– Sch. 18 para. 28(4) words substituted by S.I. 2009/56 Sch. 1 para. 255(3)(a) (This amendment not applied to legislation.gov.uk. Sch. 18 para. 28 omitted (1.4.2009) by virtue of Finance Act 2008 (c. 9), s. 113(2), Sch. 36 para. 88 (with Sch. 36 para. 38); S.I. 2009/404, art. 2 (with arts. 7, 8))
– Sch. 19 para. 43 repealed by 1999 c. 16 s. 139Sch. 20 Pt. 7 Notes 1 2

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. 18 Pt. 9C repealed by 2009 c. 4 Sch. 1 para. 454(11)Sch. 3 Pt. 1 (This amendment not applied to legislation.gov.uk. Sch. 18 Pt. 9C repealed (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. 454(11), Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2))
– Sch. 18 Pt. 9C title substituted by 2006 c. 25 Sch. 3 para. 9 (This amendment not applied to legislation.gov.uk. Sch. 18 Pt. 9C repealed (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. 454(11), Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2))