

**Changes to legislation:** There are currently no known outstanding effects for the Finance Act 1998, Cross  
Heading: Restrictions on power to make discovery assessment or determination. (See end of Document for details)

## SCHEDULES

### SCHEDULE 18

#### COMPANY TAX RETURNS, ASSESSMENTS AND RELATED MATTERS

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

- C1 Sch. 18 restricted (31.7.1998) by 1988 c. 1, s. 754B(10) (as inserted (31.7.1998 with effect as mentioned in Sch. 17 para. 37 of 1998 c. 36) by 1998 c. 36, s. 113, Sch. 17 para. 11)
- C1 Sch. 18 modified (18.4.2005) by Commissioners for Revenue and Customs Act 2005 (c. 11), s. 53(1), Sch. 4 para. 68(c); S.I. 2005/1126, art. 2(2)(h)
- C1 Sch. 18 applied (20.7.2005) by Finance (No. 2) Act 2005 (c. 22), s. 61
- C1 Sch. 18 applied (with modifications) (6.4.2006) by The Registered Pension Schemes (Accounting and Assessment) Regulations 2005 (S.I. 2005/3454), regs. 1, 13
- C1 Sch. 18 excluded (17.7.2013) by Finance Act 2013 (c. 29), s. 210(6)(b)
- C1 Sch. 18: power to amend conferred (12.2.2019) by Finance Act 2019 (c. 1), s. 87(5)(a)(6)
- C1 Sch. 18 applied (with modifications) (22.7.2020) by Finance Act 2020 (c. 14), Sch. 16 para. 11(4) (with Sch. 16 para. 11(5))
- C1 Sch. 18 applied (with modifications) (11.7.2023) by Finance (No. 2) Act 2023 (c. 30), s. 303(7)(8) (with s. 303(6))

#### PART V

##### REVENUE DETERMINATIONS AND ASSESSMENTS

###### *Restrictions on power to make discovery assessment or determination*

- 42 (1) The power to make—
- (a) a discovery assessment for an accounting period for which the company has delivered a company tax return, or
  - (b) a discovery determination,
- is only exercisable in the circumstances specified in paragraph 43 or 44 and subject to paragraph 45 below.
- (2) Those restrictions do not apply to an assessment or determination which only gives effect to a discovery determination duly made with respect to an amount stated in another company's company tax return.
- [<sup>F1</sup>(2A) Those restrictions, other than the restriction in paragraph 45, do not apply so far as regards any income or chargeable gains of the company in relation to which the company has been given, [<sup>F2</sup>a notice within sub-paragraph (4) after any enquiries have been completed into the return (so far as relating to the matters to which the notice relates)].]

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- (3) Any objection to a discovery assessment or determination on the ground that those paragraphs have not been complied with can only be made on an appeal against the assessment or determination.
- [<sup>F3</sup>(4) A notice is within this sub-paragraph if it is—
- (a) a notice under section 184G or 184H of the Taxation of Chargeable Gains Act 1992 (avoidance involving capital losses), [<sup>F4</sup>or]
  - (b) a notice under section 81(2) of TIOPA 2010 (schemes and arrangements designed to increase relief), <sup>F5</sup>...
  - <sup>F5</sup>(c) ..... ]

#### Textual Amendments

- F1** Sch. 18 para. 42(2A) inserted (with effect in accordance with s. 88(5) of the amending Act) by [Finance Act 2005 \(c. 7\), s. 88\(4\)](#)
- F2** Words in Sch. 18 para. 42(2A) substituted (with effect in accordance with Sch. 15 para. 44 of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), Sch. 15 para. 31](#)
- F3** Sch. 18 para. 42(4) 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. 321\(5\)](#) (with Sch. 9 paras. 1-9, 22)
- F4** Word in Sch. 18 para. 42(4)(a) inserted (with effect in accordance with Sch. 10 para. 22(a) of the amending Act) by [Finance Act 2016 \(c. 24\), Sch. 10 para. 4\(a\)](#)
- F5** Sch. 18 para. 42(4)(c) and preceding word omitted (with effect in accordance with Sch. 10 para. 22(a) of the amending Act) by virtue of [Finance Act 2016 \(c. 24\), Sch. 10 para. 4\(b\)](#)

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

- C1** Sch. 18 para. 41(2)-44 applied (with modifications) (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Lloyds Underwriters \(Tax\) Regulations 2005 \(S.I. 2005/3338\), regs. 1\(1\), 7](#)

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