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## SCHEDULES

### SCHEDULE 12

Section 76

#### CONSTRUCTION INDUSTRY SCHEME: CONSEQUENTIAL AMENDMENTS

##### *Records to be kept for purposes of returns*

- 1 (1) Section 12B of the Taxes Management Act 1970 (c. 9) is amended as follows.
- (2) In subsection (4A) (records in respect of which duty to preserve records may not be satisfied by preservation of information contained in them) for paragraph (b) substitute—
- “(b) any record (however described) which is required by regulations under section 70(1)(c) of the Finance Act 2004 to be given to a sub-contractor (within the meaning of section 58 of that Act) on the making of a payment to which section 61 of that Act (deductions on account of tax) applies;”.

##### *General rule as to when corporation tax is due and payable*

- 2 (1) Section 59D of the Taxes Management Act 1970 is amended as follows.
- (2) In subsection (4)(d) (amounts taken into account in determining whether repayment is due under subsection (2)) for “by virtue of regulations under section 559A of the principal Act” substitute “by virtue of regulations under section 62 of the Finance Act 2004”.

##### *Claim for repayment in advance of liability being established*

- 3 (1) Section 59DA of the Taxes Management Act 1970 is amended as follows.
- (2) In subsection (7) (deductions under section 559 of the Taxes Act 1988 to be disregarded in considering whether amount paid by company exceeds its probable tax liability, where claim made before return delivered) for “section 559 of the principal Act” substitute “section 61 of the Finance Act 2004”.

##### *Priority of claim for tax*

- 4 (1) Section 62 of the Taxes Management Act 1970 is amended as follows.
- (2) In subsection (1A)(b) (goods or chattels of person in default not to be taken in execution etc unless person seeking execution pays to collector sums due from person in default in respect of deductions under section 559 of the Taxes Act 1988) for “section 559 of the principal Act” substitute “section 61 of the Finance Act 2004”.

##### *Recovery of tax in Scotland*

- 5 (1) Section 63 of the Taxes Management Act 1970 (c. 9) is amended as follows.

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- (2) In subsection (3)(b) (application for summary warrant relating to sums due in respect of deductions required to be made under section 559 of the Taxes Act 1988: no requirement to state that 14 days have elapsed since demand) for “section 559 of the principal Act” substitute “ section 61 of the Finance Act 2004 ”.

*Priority of claim for tax in Scotland*

- 6 (1) Section 64 of the Taxes Management Act 1970 is amended as follows.
- (2) In subsection (1A)(b) (moveable goods and effects of person in default not to be taken by diligence etc unless person proceeding to take goods and effects pays to collector sums due from person in default in respect of deductions under section 559 of the Taxes Act 1988) for “section 559 of the principal Act” substitute “ section 61 of the Finance Act 2004 ”.

*Special returns etc*

- 7 (1) Section 98 of the Taxes Management Act 1970 is amended as follows.
- (2) In the first column of the Table, omit the entry relating to section 561(8) of the Taxes Act 1988.
- (3) In the second column of the Table, omit the entry relating to regulations under section 566(1), (2) or (2A) of that Act.
- (4) In the first column of the Table, insert at the appropriate place— “ Regulations under section 70(3) of the Finance Act 2004. ”.
- (5) In the second column of the Table, insert at the appropriate place— “ Regulations under section 65(2), 69(1), 70(1)(a) or (c) or 71 of the Finance Act 2004. ”.

*Special penalties in the case of certain returns*

- 8 (1) Section 98A of the Taxes Management Act 1970 is amended as follows.
- (2) In subsection (1) (regulations which may provide for section 98A to apply) for “section 566 (1) (sub-contractors) of the principal Act” substitute “ section 70(1)(a) or 71 of the Finance Act 2004 (sub-contractors) ”.
- (3) In subsection (2)(b) (penalty for failure to make return continuing beyond 12 months)
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- (a) after “not exceeding” insert—
- “(i) in the case of a provision of PAYE regulations,”,  
and
- (b) at the end insert “, or
- (ii) in the case of a provision of regulations under  
section 70(1)(a) or 71 of the Finance Act 2004,  
£3,000.”.
- (4) In subsection (4)(a) (penalty for fraudulently or negligently making incorrect return) after “year of assessment” insert “ (in the case of a provision of PAYE regulations) or period (in the case of a provision of regulations under section 70(1)(a) or 71 of the Finance Act 2004) ”.

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*Sub-contractors in the construction industry*

- 9 (1) The Taxes Act 1988 is amended as follows.  
(2) In Part 13, omit Chapter 4.

*Designated international organisations: miscellaneous exemptions*

<sup>F1</sup>10 .....

**Textual Amendments**

- F1** Sch. 12 para. 10 repealed (with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with Sch. 2)

*Application of Income Tax Acts to public departments etc*

<sup>F2</sup>11 .....

**Textual Amendments**

- F2** Sch. 12 para. 11 repealed (with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with Sch. 2)

*Provisions for securing payment by company of outstanding tax*

<sup>F3</sup>12 .....

**Textual Amendments**

- F3** [Sch. 12 para. 12](#) repealed (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. 10 Pt. 12](#) (with Sch. 9 paras. 1-9, 22)

*Supplementary provisions relating to contributions: Great Britain*

- 13 (1) Schedule 1 to the Social Security Contributions and Benefits Act 1992 (c. 4) is amended as follows.  
(2) In paragraph 7 (special penalties in case of certain returns) in sub-paragraph (1) (paragraph 7 to apply to certain returns made at the same time as a return made under regulations under section 566 (1) of the Taxes Act 1988 etc) in paragraph (a) for “section 566 (1) (sub-contractors) of the Income and Corporation Taxes Act 1988” substitute “ section 70(1)(a) or 71 (sub-contractors) of the Finance Act 2004 ”.

*Supplementary provisions relating to contributions: Northern Ireland*

- 14 (1) Schedule 1 to the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7) is amended as follows.  
(2) In paragraph 7 (special penalties in case of certain returns) in sub-paragraph (1) (paragraph 7 to apply to certain returns made at the same time as a return made under

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regulations under section 566 (1) of the Taxes Act 1988 etc) in paragraph (a) for “section 566 (1) (sub-contractors) of the Income and Corporation Taxes Act 1988” substitute “ section 70(1)(a) or 71 (sub-contractors) of the Finance Act 2004 ”.

*Transitional provisions concerning construction workers supplied by agencies*

- 15 (1) Section 56 of the Finance Act 1998 (c. 36) is amended as follows.
- (2) In subsection (8) (meaning of “construction trade”) for “Chapter 4 of Part 13 of the Taxes Act 1988” substitute “ section 74 of the Finance Act 2004 ”.

*Company tax returns, assessments and related matters*

- 16 (1) Schedule 18 to the Finance Act 1998 is amended as follows.
- (2) In paragraph 22 (preservation of information instead of original records) in subparagraph (3) (records in respect of which duty to preserve records may not be satisfied by preservation of information contained in them) for paragraph (b) substitute—
- “(b) any record (however described) which is required by regulations under section 70(1)(c) of the Finance Act 2004 to be given to a sub-contractor (within the meaning of section 58 of that Act) on the making of a payment to which section 61 of that Act (deductions on account of tax) applies;”.

*Calculation of deemed employment payment*

- 17 (1) Section 54 of the Income Tax (Earnings and Pensions) Act 2003 (c. 1) is amended as follows.
- (2) In subsection (2) (intermediary to be treated, in calculating the deemed employment payment, as if amounts received subject to deduction under section 559 of the Taxes Act 1988 had been received without deduction) for “section 559 of ICTA” substitute “ section 61 of the Finance Act 2004 ”.

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**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):

- s. 236ZA inserted by [S.I. 2024/357 art. 2\(2\)](#)