



Finance Act 2017

CHAPTER 10

FINANCE ACT 2017

PART 1

DIRECT AND INDIRECT TAXES

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- 1 Income tax charge for tax year 2017-18
- 2 Main rates of income tax for tax year 2017-18
- 3 Default and savings rates of income tax for tax year 2017-18
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- 8 Taxable benefits: asset made available without transfer
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- 25 Soft drinks industry levy
26 “Soft drink” and “package”
27 Meaning of “prepared drink”

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- 28 Meaning of “chargeable soft drink”
29 Sugar content condition
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- 31 Charge to soft drinks industry levy
32 Chargeable events: soft drinks packaged in the UK
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34 Secondary warehousing regulations
35 Liability to pay the levy
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- 37 Small producer exemption
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39 Tax credits

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- 40 The register
41 Liability to register: packagers
42 Liability to register: producers
43 Liability to register: imported chargeable soft drinks
44 Notification of liability and registration
45 Voluntary registration: small producers

- 46 Cancellation of registration under section 41, 42 or 43
- 47 Cancellation of voluntary registration
- 48 Correction of the register
- 49 Applications, notifications etc

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- 50 Fraudulent evasion
- 51 Failure to notify registration liability

Administration and enforcement

- 52 Payment, collection and recovery
- 53 Records
- 54 Power to make further provision about enforcement
- 55 Appeals etc
- 56 Supplementary amendments

Miscellaneous

- 57 Regulations: death, incapacity or insolvency of person carrying on a business
- 58 Provisional collection of soft drinks industry levy

General

- 59 Interpretation of Part 2
- 60 Regulations
- 61 Commencement

PART 3

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- 62 Interpretation
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SCHEDULES

SCHEDULE 1 — Workers' services provided to public sector through intermediaries

Part 1 — PRELIMINARY AMENDMENTS

- 1 ITEPA 2003 is amended as follows.
- 2 In section 48 (scope of Chapter 8 of Part 2:...
- 3 In section 49(1) (engagements to which Chapter applies), after paragraph...
- 4 In section 52(2)(b) and (c) (conditions of liability under Chapter...
- 5 In section 61(1) (interpretation of Chapter 8), before the definition...
- 6 In section 61A (scope of Chapter 9 of Part 2:...
- 7 In section 61D (deemed earnings where worker's services provided by...
- 8 In section 61J(1) (interpretation of Chapter 9), before the definition...
- 9 **Part 2 — NEW CHAPTER 10 OF PART 2 OF ITEPA 2003**
- 9 In Part 2 of ITEPA 2003 (employment income: charge to...
- 10 **Part 3 — CONSEQUENTIAL AMENDMENTS**
- 10 In section 7(5)(a) of ITEPA 2003 (amounts treated as earnings...

- 11 In section 49 of ITEPA 2003 (engagements to which Chapter...
- 12 In section 339A of ITEPA 2003 (travel for employment involving...
- 13 In Chapter 11 of Part 2 of ITTOIA 2005 (trade...
- 14 In Chapter 9 of Part 3 of CTA 2009 (trade...
Part 4 — COMMENCEMENT
- 15 The amendments made in ITEPA 2003 by Parts 1 and...
- 16 The amendment made by Part 2 of this Schedule has...
- 17 The payments to which the amendments made in ITTOIA 2005...

SCHEDULE 2 — Optional remuneration arrangements

- 1 Optional remuneration arrangements
- 2 Benefits in kind: amount treated as earnings
- 3 (1) Section 81 (benefit of cash voucher treated as earnings)...
- 4 After section 87 insert— Benefit of non-cash voucher treated as...
- 5 In section 88 (year in which earnings treated as received)—...
- 6 After section 94 insert— Benefit of credit-token treated as earnings:...
- 7 In section 97 (living accommodation to which Chapter 5 applies),...
- 8 In section 98 (accommodation provided by local authority), in the...
- 9 (1) Section 99 (accommodation provided for performance of duties) is...
- 10 In section 100 (accommodation provided as result of security threat),...
- 11 In section 100A (homes outside UK owned by company etc),...
- 12 In section 101 (Chevening House), in the words before paragraph...
- 13 (1) Section 102 (benefit of living accommodation treated as earnings)...
- 14 In section 103 (method of calculating cash equivalent), in subsection...
- 15 After section 103 insert— Accommodation provided pursuant to
optional remuneration...
- 16 (1) Section 105 (cash equivalent: cost of accommodation not over...
- 17 (1) Section 106 (cash equivalent: cost of accommodation over
£75,000)...
- 18 (1) Section 109 (priority of Chapter 5 over Chapter 1...
- 19 In section 114 (cars, vans and related benefits), in subsection...
- 20 (1) Section 119 (where alternative to benefit of car or...
- 21 In section 120 (benefit of car treated as earnings), after...
- 22 After section 120 insert— Benefit of car treated as earnings:...
- 23 After section 121 insert— Optional remuneration arrangements: method
of calculating...
- 24 In section 126 (amounts taken into account in respect of...
- 25 (1) Section 131 (replacement accessories) is amended as follows.
- 26 In section 132 (capital contributions by employee), in subsection (1),...
- 27 After section 132 insert— Capital contributions by employee: optional
remuneration...
- 28 (1) Section 143 (deduction for periods when car unavailable) is...
- 29 (1) Section 144 (deduction for payments for private use) is...
- 30 (1) Section 145 (modification of provisions where car temporarily
replaced)...
- 31 (1) Section 146 (cars that run on road fuel gas)...
- 32 After section 147 insert— Classic cars: optional remuneration
arrangements (1) This section applies in calculating the relevant amount
in...
- 33 (1) Section 148 (reduction of cash equivalent where car is...
- 34 In section 149 (benefit of car fuel treated as earnings),...
- 35 After section 149 insert— Benefit of car fuel treated as...
- 36 In section 154 (benefit of van treated as earnings), after...

- 37 After section 154 insert— Benefit of van treated as earnings:...
- 38 After section 158 insert— Van provided pursuant to optional remuneration...
- 39 (1) Section 160 (benefit of van fuel treated as earnings)...
- 40 After section 160 insert— Benefit of van fuel treated as...
- 41 In section 170 (orders etc relating to Chapter 6 of...
- 42 In section 173 (loans to which Chapter 7 applies), in...
- 43 In section 175 (benefit of taxable cheap loan treated as...
- 44 (1) After section 175 insert— Optional remuneration arrangements: “relevant amount”...
- 45 In section 180 (threshold for benefit of loan to be...
- 46 In section 184 (interest treated as paid), in subsection (1),...
- 47 In section 202 (excluded benefits), after subsection (1) insert—
- 48 After section 203 insert— Employment-related benefit provided under optional remuneration...
- 49 Exemptions
- 50 Other amendments
- 51 In section 95 of ITEPA 2003 (disregard for money, goods...
- 52 (1) In section 236 of ITEPA 2003 (interpretation of Chapter...
- 53 (1) Section 239 of ITEPA 2003 (payments and benefits connected...
- 54 In section 362 of ITEPA 2003 (deductions where non-cash voucher...
- 55 In section 318A of ITEPA 2003 (childcare: limited exemption for...
- 56 In section 363 of ITEPA 2003 (deductions where credit-token provided),...
- 57 In section 693 of ITEPA 2003 (cash vouchers), in subsection...
- 58 In section 694 of ITEPA 2003 (non-cash vouchers), in subsection...
- 59 In section 695 of ITEPA 2003 (benefit of credit-token treated...
- 60 In Part 2 of Schedule 1 to ITEPA 2003 (index...
- 61 In Part 2 of Schedule 1 to ITEPA 2003 (index...
- 62 Commencement and transitional provision

SCHEDULE 3 — Overseas pensions

Part 1 — REGISTERED PENSION SCHEMES ESTABLISHED OUTSIDE THE UK

- 1 (1) In Chapter 5A of Part 4 of FA 2004...

Part 2 — INCOME TAX ON PENSION INCOME

- 2 UK residents to be taxed on 100%, not 90%, of foreign pension income
- 3 Superannuation funds to which section 615(3) of ICTA applies

Part 3 — LUMP SUMS FOR UK RESIDENTS FROM FOREIGN PENSION SCHEMES

- 4 Introductory
- 5 Employer-financed retirement benefit schemes: ending of foreign-service relief
- 6 After section 395B insert— Meaning of “foreign service” in section...
- 7 In section 554Z4 (treatment of relevant step: residence issues), after...
- 8 Lump sums under other foreign schemes
- 9 In section 574(1) (foreign pensions: meaning of “pension”), after paragraph...
- 10 (1) After section 574 insert— “Pension”: relevant lump sums (1) A lump sum paid under a pension scheme to...
- 11 (1) In section 576A (temporary non-residents), as it applies where...
- 12 (1) In section 576A, as it applies where the year...
- 13 Relief from tax under Part 9 of ITEPA 2003 not to give rise to tax under other provisions

SCHEDULE 4 — Pensions: offshore transfers

Part 1 — CHARGES WHERE PAYMENTS MADE IN RESPECT OF OVERSEAS
PENSIONS

- 1 Amendments of Schedule 34 to FA 2004
- 2 (1) Paragraph 1 (application of member payment charges to relevant...
- 3 (1) Paragraph 2 (member payment provisions apply to payments out...
- 4 (1) Paragraph 3 (payments to or in respect of relieved...
- 5 (1) Paragraph 4 (payments to or in respect of transfer...
- 6 In paragraph 7(2)(c) (regulations about application of member payment provisions),...
- 7 (1) Paragraph 9ZB (application of section 227G) is amended as...
- 8 The amendments made by paragraph 3 apply in relation to...
- 9 Consequential amendments in ITEPA 2003
- 10 (1) Section 576A of ITEPA 2003, as it applies where...

Part 2 — INCOME TAX ON PENSION TRANSFERS: OVERSEAS TRANSFER
CHARGE

- 11 Tax charge on transfers to qualifying recognised overseas pension schemes
- 12 Further amendments in Part 4 of FA 2004.
- 13 (1) Section 169 (recognised transfers, and definition and obligations of...
- 14 After Chapter 5 insert— CHAPTER 5A Registered pension schemes established...
- 15 In section 254(6) (regulations about accounting for tax by scheme...
- 16 In section 255(1) (power to make provision for assessments), after...
- 17 In section 269(1)(a) (appeal against decision on discharge of liability),...
- 18 In Schedule 32 (benefit crystallisation events: supplementary provision), after paragraph...
- 19 Other amendments
- 20 In Schedule 56 to FA 2009 (penalty for failure to...
- 21 (1) In regulation 3(1) of the Registered Pension Schemes (Accounting...
- 22 (1) The Pension Schemes (Information Requirements for Qualifying Overseas Pension...
- 23 (1) The Registered Pension Schemes (Transfers of Sums and Assets)...
- 24 (1) The Registered Pension Schemes (Provision of Information) Regulations 2006...
- 25 Commencement and transitional provision

SCHEDULE 5 — Deduction of income tax at source

Part 1 — INTEREST DISTRIBUTIONS OF INVESTMENT TRUST OR
AUTHORISED INVESTMENT FUND

- 1 In Chapter 3 of Part 15 of ITA 2007 (deduction...
- 2 In section 45(2) of FA 2009 (provision that regulations may...

Part 2 — INTEREST ON PEER-TO-PEER LENDING

- 3 In Chapter 3 of Part 15 of ITA 2007 (deduction...

Part 3 — FURTHER AMENDMENT AND COMMENCEMENT

- 4 Further amendment
- 5 Commencement

SCHEDULE 6 — Employment income provided through third parties

- 1 Introductory
- 2 Meaning of “relevant step”
- 3 Loans: transferring, releasing or writing off
- 4 In section 554A(4) (non-application of Chapter 2 where relevant step...

- 5 After section 554O insert— Exclusions: transfer of employment-related loans (1) Chapter 2 does not apply by reason of a...
- 6 In section 554Z(10)(b) (interpretation: relevant step which involves a sum...
- 7 In section 554Z12(1) (relevant step taken after A's death etc.),...
- 8 Exclusions: relevant repayments
- 9 Exclusions: payments in respect of a tax liability
- 10 Double taxation
- 11 After section 554Z11A insert— Double taxation: earlier income tax liability...
- 12 Amendments to Schedule 2 to FA 2011
- 13 Commencement
- 14 Section 554RA of ITEPA 2003, inserted by paragraph 8 of...
- 15 (1) Paragraph 13 does not apply in relation to the...
- 16 The amendments made by paragraph 12 of this Schedule to...

SCHEDULE 7 — VAT: zero-rating of adapted motor vehicles etc

- 1 Adaptation of a qualifying motor vehicle
- 2 Three year rule, reporting and certification
- 3 Penalty
- 4 Minor amendments
- 5 In Part 1 (index to zero-rated supplies of goods and...
- 6 In Group 4 (talking books for the blind and handicapped...
- 7 In Group 12 (drugs, medicines, aids for the handicapped etc)—...
- 8 In Group 15 (charities etc)— (a) in item 5 and...
- 9 Commencement

SCHEDULE 8 — Soft drinks industry levy: recovery and overpayments

Part 1 — RECOVERY

- 1 Recovery as debt due
- 2 Assessments
- 3 (1) Sub-paragraph (2) applies where— (a) the Commissioners have made...
- 4 (1) Sub-paragraph (2) applies where it appears to the Commissioners...
- 5 Supplementary assessments
- 6 Further provision about assessments under paragraphs 2, 4 and 5
- 7 Time limits for assessments

Part 2 — OVERPAYMENTS

- 8 Repayments of overpaid levy
- 9 Supplementary provisions about repayment etc.
- 10 (1) This paragraph applies where— (a) an amount has been...
- 11 Reimbursement arrangements
- 12 Assessment for excessive repayment
- 13 Supplementary assessments
- 14 Further provision about assessments under paragraphs 12 and 13
- 15 Time limits for assessments

Part 3 — FURTHER PROVISION ABOUT NOTICES ETC.

- 16 Notifications to a person's representative
- 17 Service of notices

SCHEDULE 9 — Soft drinks industry levy: requirements to keep records etc:
penalties

Part 1 — PENALTIES

- 1 Sections 48(2) and 53(1): requirements imposed by regulations
- 2 Section 53(2): requirements imposed by directions
- 3 Power to alter amounts specified in paragraphs 1 and 2
- 4 Reasonable excuse
 - Part 2 — ASSESSMENTS
- 5 Power to make assessments
- 6 Supplementary assessments
- 7 Further provision about assessments under this Schedule
- 8 Time limits for assessments
- 9 Further provision about notices
- 10 A notice under this Schedule may be given to a...

SCHEDULE 10 — Soft drinks industry levy: appeals and reviews

Part 1 — APPEALABLE DECISIONS

- 1 Appealable decisions

Part 2 — REVIEWS

- 2 Offer of review
- 3 Right to require review
- 4 Review by HMRC
- 5 Extensions of time
- 6 Review out of time
- 7 Nature of review etc.
- 8 Service of notices

Part 3 — APPEALS

- 9 “Appeal tribunal”
- 10 Bringing of appeals
- 11 Appeals: further provision
- 12 Determinations on appeal
- 13 On an appeal against a decision mentioned in paragraph 1(f)...
- 14 Subject to paragraph 15, on an appeal against a decision...
- 15 (1) On an appeal against a decision mentioned in paragraph...

SCHEDULE 11 — Soft drinks industry levy: supplementary amendments

- 1 HMRC powers to obtain information etc.
- 2 Penalties: failure to notify etc.
- 3 Penalties: failure to comply with requirements relating to returns
- 4 (1) Schedule 55 to FA 2009 (penalty for failure to...
- 5 (1) Schedule 56 to FA 2009 (penalty for failure to...
- 6 (1) Schedule 23 to FA 2011 (data-gathering powers) is amended...
- 7 Interest