

SCHEDULES

SCHEDULE 1

LIFETIME ISAS: FURTHER PROVISION

PART 4

ENFORCEMENT OF INFORMATION REQUIREMENTS

Penalties for inaccuracies in information provided in response to requirements

- 12 (1) This paragraph applies where—
- (a) in complying with a notice under paragraph 6(2) or 10(2), or with a requirement imposed under paragraph 9(1)(a), a person provides inaccurate information or produces a document that contains an inaccuracy,
 - (b) the inaccuracy is material, and
 - (c) condition A, B or C is met.
- (2) Condition A is that the inaccuracy is careless or deliberate.
- (3) An inaccuracy is careless if it is due to a failure by the person to take reasonable care.
- (4) Condition B is that the person knows of the inaccuracy at the time the information is provided, or the document is produced, but does not inform an officer of Revenue and Customs at that time.
- (5) Condition C is that the person—
- (a) discovers the inaccuracy some time later, and
 - (b) fails to take reasonable steps to inform an officer of Revenue and Customs.
- (6) The person is liable to a penalty not exceeding the amount for the time being specified in paragraph 40A(5) of Schedule 36 to the Finance Act 2008 (penalties for inaccurate information and documents).
- (7) Where the information or document contains more than one material inaccuracy, a penalty is payable for each inaccuracy.
- (8) Paragraphs 46 to 49 and 52 of Schedule 36 to the Finance Act 2008 (penalties: assessment, appeals and enforcement) apply in relation to a penalty under this paragraph as they apply in relation to a penalty under paragraph 40A of that Schedule.

Power to inspect documents relating to claims

- 13 (1) This paragraph applies where a claim is made for a bonus for any qualifying additions.
- (2) An officer of Revenue and Customs may—

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- (a) enter any business premises of a relevant plan manager, and
 - (b) inspect documents that are on the premises,

if the officer reasonably requires to inspect the documents in connection with the claim.
- (3) A person is a “relevant plan manager” for the purposes of this paragraph if the person—
 - (a) is the plan manager of any Lifetime ISA to which any of the qualifying additions was made,
 - (b) was the plan manager of a Lifetime ISA at or after the time any of the qualifying additions was made to that Lifetime ISA, or
 - (c) is the plan manager of the Lifetime ISA to which the bonus would be or has been paid.
- (4) See also paragraph 15.

Power to inspect documents relating to withdrawals

- 14 (1) This paragraph applies if there is a time when any investments held under a Lifetime ISA are attributable, directly or indirectly, to an amount paid by way of bonus for any qualifying additions.
- (2) An officer of Revenue and Customs may—
- (a) enter any business premises of a relevant person, and
 - (b) inspect documents that are on the premises,
- if the officer reasonably requires to inspect the documents in connection with establishing whether there have been any withdrawals from the Lifetime ISA and, if so, the details of any such withdrawals.
- (3) Each of the following is a “relevant person” for the purposes of sub-paragraph (2)—
- (a) the person (if any) who is the plan manager of the Lifetime ISA at the time mentioned in sub-paragraph (1),
 - (b) any person who is the plan manager of the Lifetime ISA at any later time, and
 - (c) any other person who appears to an officer of Revenue and Customs to be a person who may have received the whole or part of a withdrawal from the Lifetime ISA.
- (4) See also paragraph 15.

Supplementary provisions about inspections

- 15 (1) The powers under paragraph 13(2) or 14(2)—
- (a) do not include power to enter any part of the premises that is used solely as a dwelling, but
 - (b) do include power to obtain and record information (whether electronically or otherwise) relating to the documents that have been inspected.
- (2) In paragraphs 13(2) and 14(2) “business premises”, in relation to a person, means premises (or any part of premises) that an officer of Revenue and Customs has reason to believe are (or is) used in connection with the carrying on of a business by or on behalf of the person.

- (3) Paragraph 12 of Schedule 36 to the Finance Act 2008 (timing of inspections) applies in relation an inspection under paragraph 13(2) or 14(2) as it applies in relation to an inspection under paragraph 10 of that Schedule.
- (4) An officer of Revenue and Customs may not inspect a document under paragraph 13 or 14 if or to the extent that, by virtue of a provision of Part 4 of Schedule 36 to the Finance Act 2008 (restrictions on powers) applied by paragraph 6(3) or 10(4), a notice under paragraph 6(2) or 10(2) given at the time of the inspection to the occupier of the premises could not require the occupier to produce the document.
- (5) An officer of Revenue and Customs may ask the tribunal to approve an inspection under paragraph 13(2) or 14(2).
- (6) Paragraph 13(1A), (2) and (3) of Schedule 36 to the Finance Act 2008 (approval of tribunal for inspections) applies in relation to an application under sub-paragraph (5) as it applies in relation to an application under paragraph 13 of that Schedule relating to an inspection under paragraph 10 of that Schedule.
- (7) In this paragraph “the tribunal” means the First-tier Tribunal or, where determined by or under Tribunal Procedure Rules, the Upper Tribunal.

Penalties for non-compliance with information requirements

- 16 (1) Sub-paragraph (2) applies to a person who—
- (a) fails to make a claim in accordance with a requirement imposed on the person under paragraph 3(1)(b),
 - (b) fails to comply with a notice under paragraph 6(2) or 10(2) given to the person,
 - (c) fails to comply with a requirement imposed on the person under paragraph 9(1)(a), or
 - (d) deliberately obstructs an officer of Revenue and Customs in the course of an inspection under paragraph 13 or 14 that has been approved by the tribunal.
- (2) The person is liable to a penalty of the amount for the time being specified in paragraph 39(2) of Schedule 36 to the Finance Act 2008.
 - (3) If the failure or obstruction mentioned in sub-paragraph (1) continues after the date on which a penalty is imposed under sub-paragraph (2) in respect of the failure or obstruction, the person is liable to a further penalty or penalties not exceeding the amount for the time being specified in paragraph 40(2) of that Schedule for each subsequent day on which the failure or obstruction continues.
 - (4) The reference in sub-paragraph (1)(b) to a person who fails to comply with a notice under paragraph 6(2) or 10(2) includes a person who conceals, destroys or otherwise disposes of, or arranges for the concealment, destruction or disposal of, a document in breach of paragraph 42 or 43 of Schedule 36 to the Finance Act 2008 as applied by (as the case may be) paragraph 6(3) or 10(4).
 - (5) Paragraphs 44 to 49 and 52 of Schedule 36 to the Finance Act 2008 (penalties: liability, assessment, appeals and enforcement) apply in relation to a penalty under sub-paragraph (2) or (3) as they apply in relation to a penalty under paragraph 39 or 40 of that Schedule, except that the reference in paragraph 46(3) to an information notice has effect as a reference to a notice under paragraph 6(2) or 10(2) of this Schedule.

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- (6) In sub-paragraph (1)(d) “the tribunal” means the First-tier Tribunal or, where determined by or under Tribunal Procedure Rules, the Upper Tribunal.