SCHEDULES

SCHEDULE 2

Section 14

RETURNS FOR DISPOSALS OF UK LAND ETC

PART 1

RETURNS AND PAYMENTS ON ACCOUNT: DISPOSALS OF UK LAND ETC

Disposals to which Schedule applies

1 (1) This Schedule applies for the purposes of capital gains tax to—

(a) any direct or indirect disposal of UK land which meets the non-residence condition (whether or not a gain accrues) and which is made on or after 6 April 2019, and

(b) any other direct disposal of UK land on which a residential property gain accrues and which is made on or after 6 April 2020,

but this Schedule does not apply to excluded disposals.

(2) A disposal is an excluded disposal if—

(a) it is a disposal on which, as a result of any of the no gain/no loss provisions, neither a gain nor a loss accrues,

(b) it is the grant of a lease for no premium to a person not connected with the grantor under a bargain made at arm's length,

(c) it is a disposal made by a charity, or

(d) it is a disposal of any pension scheme investments.

(3) The Treasury may by regulations amend sub-paragraph (2).

(4) See also paragraph 9 for a case where a disposal which would have been within sub-paragraph (1)(b) if a gain had accrued is treated, for certain purposes, as if it were a disposal to which this Schedule applies.

2 (1) A disposal is a "direct or indirect disposal of UK land which meets the non-residence condition" if it is—

(a) a disposal on which a gain accrues that falls to be dealt with by section 1A(3) of TCGA 1992 because the asset disposed of is within paragraph (b) or (c) of that subsection,

(b) a disposal on which a gain accrues that falls to be dealt with by section 1A(1) of that Act in accordance with section 1G(2) because the asset disposed of is within section 1A(3)(b) or (c), or

(c) a disposal of an asset on which a gain does not accrue but which, had a gain accrued, would fall to be dealt with as mentioned in either of the preceding paragraphs of this sub-paragraph.

(2) A disposal is "any other direct disposal of UK land on which a residential property gain accrues" if the disposal is a disposal on which a residential property gain accrues where—

(a) the land in question is in the United Kingdom, and

(b) the gain falls to be dealt with by section 1A(1) or (3)(a) of TCGA 1992,

and the disposal does not fall within sub-paragraph (1).

(3) This paragraph applies for the purposes of this Part of this Schedule.

Obligation to deliver a return to officer of Revenue and Customs

3 (1) If a person makes a disposal to which this Schedule applies, the person—

(a) must make a return in respect of the disposal, and

(b) must deliver the return to an officer of Revenue and Customs on or before the **[**[F1]60th**]** day following the day of the completion of the disposal.

(2) If—

(a) a person makes two or more disposals to which this Schedule applies, and

(b) the disposals are made in the same tax year with the same completion date,

the person must make and deliver a single return with respect to the disposals.

(3) This paragraph is subject to—

(a) paragraph 4 (residential property gain accruing but no payment on account required),

(b) paragraph 5 (ordinary tax return already delivered etc), and

(c) paragraph 10 (disposal in case of a collective investment scheme).

Textual Amendments

F1 Word in Sch. 2 para. 3(1)(b) substituted (with effect in accordance with s. 23(4) of the amending Act) by Finance Act 2022 (c. 3), **s. 23(2)**

4 (1) If—

(a) a person makes a disposal to which this Schedule applies as a result of paragraph 1(1)(b), and

(b) the person would not be liable under paragraph 6 to pay an amount on account of the person's liability to capital gains tax for the tax year concerned,

the person is not required to make or deliver a return under this Schedule in respect of the disposal.

(2) In determining whether sub-paragraph (1)(b) applies, it is to be assumed that the person is required to make a return under this Schedule in respect of the disposal.

5 (1) A person is not required to make or deliver a return under this Schedule in respect of a disposal if the filing date for the return would otherwise fall on or after—

(a) the date on which the person has delivered to an officer of Revenue and Customs the person's ordinary tax return containing a self-assessment that takes account of the disposal, or

(b) the date on or before which the person has (by notice) been required to deliver to an officer of Revenue and Customs the person's ordinary tax return for the tax year concerned.

(2) For the purposes of sub-paragraph (1)(a), a self-assessment does not take account of the disposal if the amount of capital gains tax that is self-assessed is less than the amount that would be payable under paragraph 6 if the person were required to make and deliver a return under this Schedule in respect of the disposal.

Obligation to make a payment on account of capital gains tax

6 (1) This paragraph applies if—

(a) a person is required to make a return under this Schedule in respect of any disposal, and

(b) as at the filing date for the return, an amount of capital gains tax is notionally chargeable on the person (as determined in accordance with paragraph 7).

(2) The person is liable to pay that amount on account of the person's liability to capital gains tax for the tax year concerned so far as that amount has not already become payable as a result of any previous return under this Schedule in respect of a disposal in that period.

(3) The amount is payable on the filing date for the return.

(4) For cases where there are repayments of amounts previously paid on account of capital gains tax, see paragraphs 8 and 9.

Calculation of an amount of capital gains tax notionally chargeable

7 (1) This paragraph applies for determining the amount of capital gains tax (if any) which is notionally chargeable on a person as at the filing date for a return.

(2) The amount of capital gains tax notionally chargeable on the person as at that date is the amount of that tax for which the person would be liable for the tax year concerned, ignoring, for this purpose, the following disposals—

(a) disposals which have a completion date later than the completion date of the disposal in respect of which the return is made (but see sub-paragraph (3)), and

(b) disposals on which gains accrue but which are not disposals to which this Schedule applies.

(3) A disposal on which a loss accrues is not to be ignored under sub-paragraph (2)(a) if the time at which the disposal is made (as determined under section 28 of TCGA 1992) falls on or before the completion date of the disposal in respect of which the return is made.

[[F2](3A) In the case of a disposal to which this Schedule applies as a result of paragraph 1(1)(b) where a proportion of the chargeable gain accruing on the disposal is not a residential property gain, ignore that proportion for the purposes of this paragraph.**]**

(4) For provision relevant to the operation of this paragraph, see paragraphs 14 and 15 (making of assumptions, reasonable estimates etc).

Textual Amendments

F2 Sch. 2 para. 7(3A) inserted (with effect in accordance with s. 23(4) of the amending Act) by Finance Act 2022 (c. 3), **s. 23(3)**

Repayments of amounts previously paid on account of capital gains tax

8 (1) This paragraph applies if—

(a) a person makes and delivers a return under this Schedule in respect of a disposal,

(b) the person has previously paid amounts on account of the person's liability to capital gains tax for the tax year concerned, and

(c) the amounts exceed the amount of capital gains tax notionally chargeable on the person as at the filing date for the return.

(2) The excess is repayable to the person on the filing date for the return.

(3) In determining the total amount of payments that have, at any time, been made on account of a person's liability to capital gains tax for a tax year, account must be taken of amounts already repaid under this paragraph.

9 (1) If—

(a) a person makes a disposal on which an allowable loss accrues, and

(b) had a gain accrued instead, the disposal would have been one to which this Schedule applies as a result of paragraph 1(1)(b),

the person may make and deliver a return under this Schedule in respect of the disposal for the purpose of securing the application of paragraph 8.

(2) Accordingly, the disposal is treated for that purpose as if it were a disposal to which this Schedule applies.

(3) This paragraph does not apply in respect of a disposal if the filing date for the return which the person would otherwise be entitled to make and deliver falls on or after the date mentioned in paragraph 5(1)(a) or (b).

Collective investment schemes to which Sch.5AAA to TCGA 1992 applies

10 (1) A person is not required to make or deliver a return under this Schedule in respect of a disposal if—

(a) the disposal has an appropriate connection to a collective investment scheme for the purposes of paragraph 6 of Schedule 5AAA to TCGA 1992, and

(b) the person would not be liable under paragraph 6 of this Schedule to pay an amount on account of the person's liability to capital gains tax for the tax year concerned.

(2) In determining whether sub-paragraph (1)(b) applies, it is to be assumed that the person is required to make a return under this Schedule in respect of the disposal.

11 (1) This paragraph applies if—

(a) an election under paragraph 8 of Schedule 5AAA to TCGA 1992 (election for CIS to be treated as partnership for purposes of Act) has effect in respect of an offshore collective investment scheme (within the meaning of that Schedule),

(b) a disposal is made of property that is the subject of the scheme,

(c) the disposal is made before the day on which this election is made, and

(d) a person is required to make a return under this Schedule in respect of the disposal.

(2) The disposal is treated for the purposes of this Part of this Schedule as if it completed on the day on which the election is made.

12 (1) This paragraph applies if—

(a) a disposal is deemed to have been made by a person as a result of paragraph 21 or 22 of Schedule 5AAA to TCGA 1992 (qualifying offshore CIS etc), and

(b) the person is required to make a return under this Schedule in respect of the disposal.

(2) If the disposal is one to which paragraph 23 of that Schedule applies (gains treated as accruing when value received)—

(a) a disposal to which this Schedule applies is treated as being made by the person on each occasion on which any part of the gain is treated as accruing to the person under that paragraph, and

(b) the time at which that disposal is treated as completing is the time at which the part of the gain is treated as so accruing to the person or, if later, the time at which the required notification is given to the person.

(3) If the disposal is not one to which paragraph 23 of Schedule 5AAA to TCGA 1992 applies, it is treated for the purposes of this Part of this Schedule as if it completed on the day on which the required notification is given to the person.

(4) In this paragraph "the required notification" means notification under paragraph 25 of Schedule 5AAA to TCGA 1992 in relation to the disposal deemed to have been made as a result of paragraph 21 or 22 of that Schedule.

(5) In determining for the purposes of sub-paragraph (1)(b) whether a person is required to make a return under this Schedule in respect of the disposal the effect of paragraphs 4, 5 and 10 is ignored.

Effect of s.144(2) or 144A(2)(b) of TCGA 1992 when asset sold on exercise of option

13 (1) This paragraph applies if—

(a) an option is granted binding the grantor to sell an asset and the grant of the option is a disposal to which this Schedule applies, and

(b) the option is then exercised so that, as a result of section 144(2) or 144A(2)(b) of TCGA 1992, the grant of the option is treated as the same transaction as the sale.

(2) Despite section 144(2) or 144A(2)(b) of TCGA 1992, the grantor remains subject to the obligations under this Schedule in relation to the grant of the option.

(3) In this paragraph references to sale are to be read in accordance with section 144(6) of TCGA 1992.

Making of assumptions, reasonable estimates etc

14 (1) If, in determining whether a disposal is one to which this Schedule applies—

(a) a question arises as to whether a provision of TCGA 1992 applies, and

(b) the determination of the question requires account to be taken of times after the completion of the disposal,

Changes to legislation: *There are currently no known outstanding effects for the Finance Act 2019, SCHEDULE 2. (See end of Document for details)*

it is to be assumed that the provision does apply if, at the time of the completion of the disposal, it is reasonable to expect that it will apply.

(2) For the purposes of this Schedule it is to be assumed that a person has made a claim or election or given a notice if, at the time of the completion of the disposal in respect of which a return is required to be made under this Schedule, it is reasonable to expect that one will be made or given.

(3) Nothing in sub-paragraph (2) is to be read as affecting—
- (a) any requirement imposed by or under any Act for a claim, election or notice to be made or given in a particular way or by a particular time, or
- (b) any other provision made by or under any Act that is concerned with the making or giving of the claim, election or notice.

(4) If—
- (a) a person is required to make and deliver a return under this Schedule, and
- (b) having regard to the person's knowledge and all other relevant circumstances, it is reasonable to make an estimate of a qualifying matter,

the person may make a reasonable estimate of that matter in the return.

(5) For this purpose "qualifying matter" means—
- (a) anything that is relevant to the application of section 1I of TCGA 1992,
- (b) the value of anything, or
- (c) the value of amounts to be apportioned to anything.

15 (1) This paragraph applies if a person is required to make and deliver a return under this Schedule in respect of a disposal and, at any time after the completion of the disposal—
- (a) it becomes reasonable to expect that, by reference to the person's residence, a provision of TCGA 1992 will apply,
- (b) it becomes reasonable to conclude that a provision of TCGA 1992 conferring a relief applies in relation to the disposal,
- (c) matters relevant to the application of section 1I of TCGA 1992 become known, or it becomes reasonable to make a different estimate of those matters, where an estimate of those matters was used in the return, or
- (d) the value of anything, or of any amount to be apportioned to anything, becomes known where an estimate was used in the return.

(2) The person may (but need not) assume, for the purposes of this Schedule—
- (a) that there is an additional disposal to which this Schedule applies,
- (b) that the additional disposal completed at the later time by reference to which this paragraph applies, and
- (c) that the additional disposal is in all other respects a replication of the actual disposal.

(3) In determining the amount of capital gains tax notionally chargeable as at the filing date for a return in respect of the additional disposal, the actual disposal is ignored.

Contents of return

16 A return under this Schedule—

(a) must contain information of a description specified by an officer of Revenue and Customs (and different descriptions of information may be specified for different cases), and

(b) must include a declaration by the person making it that the return is, to the best of the person's knowledge, correct and complete.

Interpretation

17 (1) In this Part of this Schedule—

"the filing date", in relation to a return in respect of a disposal, means the date on or before which the return in respect of the disposal must be delivered to an officer of Revenue and Customs,

"lease" has the meaning given by paragraph 10 of Schedule 8 to TCGA 1992,

"ordinary tax return" means a return under section 8 or 8A of TMA 1970,

"pension scheme investments" means investments held for the purposes of a registered pension scheme or an overseas pension scheme (and expressions used in this definition have the same meaning as they have in section 271(1A) of TCGA 1992),

"premium" has the meaning given by paragraph 10 of Schedule 8 to TCGA 1992,

"residential property gain" has the meaning given by Schedule 1B to TCGA 1992, and

"the tax year concerned", in relation to a disposal, means the tax year in which the disposal is made.

(2) In this Part of this Schedule the "completion" of a disposal is regarded as occurring—

(a) at the time of the disposal, or

(b) if the disposal is under a contract which is completed by a conveyance, transfer or other instrument later than the time of the disposal, at the time when the instrument takes effect.

(3) This Part of this Schedule has effect as if it were included in TCGA 1992.

PART 2

NOTIFICATION OF CHARGEABLE AMOUNTS, AMENDMENTS OF RETURNS, ENQUIRIES ETC

Requirement to notify HMRC of amounts chargeable to tax

18 (1) A person is not required to give a notice under section 7 of TMA 1970 merely by reference to a chargeable gain accruing on a disposal if—

(a) the person delivers a return under this Schedule in respect of the disposal, and

(b) the return is delivered before the end of the notification period within the meaning of that section.

(2) But sub-paragraph (1) does not apply if the amount of capital gains tax notionally chargeable on the person as at the filing date for the return (as determined in accordance with paragraph 7) is less than the amount of capital gains tax for which the person is liable for the tax year concerned.

Changes to legislation: *There are currently no known outstanding effects for the Finance Act 2019, SCHEDULE 2. (See end of Document for details)*

Amendments of returns

19 (1) The amendment provisions applicable to ordinary tax returns apply in relation to returns made by a person under this Schedule as they apply in relation to ordinary tax returns, but subject to the following limitations or other modifications.

(2) An amendment is permitted only so far as the return under this Schedule could, when originally delivered, have included the amendment by reference to things already done.

(3) A person may not make an amendment of a return under this Schedule in respect of a disposal at any time on or after—

(a) the date on which the person has delivered to an officer of Revenue and Customs the person's ordinary tax return containing a self-assessment that takes account of the disposal, or

(b) the date on or before which the person has (by notice) been required to deliver to an officer of Revenue and Customs the person's ordinary tax return for the tax year concerned.

(4) If a person is not required to deliver an ordinary tax return for the tax year concerned, the person may not make an amendment of a return under this Schedule more than 12 months after the last day for delivery of an ordinary tax return.

(5) For the purposes of this paragraph "the amendment provisions applicable to ordinary tax returns" means sections 9ZA and 9ZB of TMA 1970.

Enquiries

20 (1) The enquiry provisions apply in relation to returns made by a person under this Schedule as they apply in relation to ordinary tax returns, but subject as follows.

(2) If the person is required to deliver an ordinary tax return for the tax year concerned, the time allowed for giving a notice of enquiry into a return under this Schedule is the same as that allowed for giving a notice of enquiry into the ordinary tax return.

(3) If the person is not required to deliver an ordinary tax return for the tax year concerned, the time allowed for giving a notice of enquiry into a return under this Schedule is determined on the assumption that the person was required to deliver an ordinary tax return for that year and that it was delivered at the later of—

(a) the last day for delivery of an ordinary tax return, and

(b) the day on which the return under this Schedule was delivered.

(4) If there is an enquiry into a return under this Schedule—

(a) nothing in paragraph 8 requires any repayment to be made before the day on which the enquiry is completed, but

(b) the officer of Revenue and Customs concerned may, at any time before that day, make the repayment, on a provisional basis, to such extent as the officer thinks fit.

(5) If—

(a) a notice of enquiry ("the main enquiry notice") is given at any time into an ordinary tax return for a tax year, and

(b) a notice of enquiry into a return under this Schedule has not been given, on or before that time, in respect of a disposal to which this Schedule applies which is made in that tax year,

the main enquiry notice is also taken to constitute a notice of enquiry into the return under this Schedule in respect of the disposal.

(6) If—

(a) a final closure notice ("the main closure notice") is given at any time which completes an enquiry into an ordinary tax return for a tax year, and

(b) a final closure notice of an enquiry into a return under this Schedule has not been given, on or before that time, in respect of a disposal to which this Schedule applies which is made in that period,

the main closure notice is also taken to constitute a final closure notice of the enquiry into the return under this Schedule in respect of the disposal.

(7) For the purposes of this paragraph "the enquiry provisions" means sections 9A and 28A of TMA 1970 and the other provisions of that Act so far as they relate to those sections.

(8) Nothing in this paragraph is to be read as affecting the operation of the enquiry provisions in relation to ordinary tax returns.

Amendments of returns during enquiry etc

21 (1) For other provisions which, as a result of paragraph 19 and 20, are relevant to returns made by a person under this Schedule, see sections 9B and 9C of TMA 1970.

(2) In the case of Schedule 3ZA to TMA 1970 (date by which payment to be made after amendment or correction of self-assessment)—

(a) paragraph 1(2) of that Schedule has effect as if the reference to section 59B(3) and (4) of TMA 1970 included a reference to paragraph 7 of this Schedule, and

(b) the other provisions of that Schedule have effect in accordance with the provision made elsewhere by this Part of this Schedule (see, in particular, paragraph 24(3)).

(3) For provisions of that Schedule relevant to returns made by a person under this Schedule, see—

(a) paragraph 2 (amendment of return by taxpayer),

(b) paragraph 3 (correction of return by HMRC),

(c) paragraph 4 (jeopardy amendment by HMRC), and

(d) paragraph 5 (amendment of return by closure notice).

Revenue determinations

22 (1) The Revenue determination provision applicable to ordinary tax returns applies in relation to returns made by a person under this Schedule as it applies in relation to ordinary tax returns, but subject to the following modifications.

(2) The modifications are that—

(a) any reference to being given a notice is to be read as a reference to being required to deliver a return under this Schedule,

(b) any reference to the filing date is to be read as a reference to the filing date within the meaning of this Part of this Schedule (but see paragraph (e)),

Changes to legislation: *There are currently no known outstanding effects for the Finance Act 2019, SCHEDULE 2. (See end of Document for details)*

(c) any reference to the amounts to be determined is to be read as a reference to the amount of capital gains tax which is notionally chargeable on a person as at the filing date for a return under this Schedule,

(d) any reference in any enactment to the purposes for which a determination is to have effect is to be ignored, and

(e) the determination may not be made after the end of the period of 3 years beginning with the last day for delivery of an ordinary tax return.

(3) If—

(a) a determination is made as a result of this paragraph, but

(b) it is then superseded by a return made under this Schedule,

any amount which, as a result of the supersession, is payable or repayable under paragraph 6 or 8 is to be payable or repayable on the filing date for the return.

(4) For the purposes of this paragraph "the Revenue determination provision" means section 28C of TMA 1970.

Discovery assessments

23 (1) A return made by a person under this Schedule is treated for the purposes of the discovery provisions as if it were an assessment required to be included as part of the person's ordinary tax return (whether or not the person is actually required to deliver an ordinary tax return).

(2) References in the discovery provisions to an ordinary tax return for a tax year include a return under this Schedule made in respect of a disposal for the tax year concerned.

(3) For the purposes of this paragraph "the discovery provisions" means section 29 of TMA 1970 and the other provisions of that Act relating to that section.

Interpretation

24 (1) Expressions have the same meaning in this Part of this Schedule as they have in Part 1 of this Schedule (see paragraph 17).

(2) For the purposes of this Part of this Schedule any reference to the last day for delivery of an ordinary tax return is to 31 January in the tax year following the tax year concerned.

(3) A return made by a person under this Schedule is to be treated for the purposes of any provision made by or under TMA 1970 as if it contained a self-assessment of an amount of capital gains tax.

PART 3

CONSEQUENTIAL AMENDMENTS

Amendments of TMA 1970

25 (1) TMA 1970 is amended as follows.

(2) Omit section 7A (disregard of certain NRCGT gains for purposes of section 7).

(3) Omit sections 12ZA to 12ZN (NRCGT returns) and the italic heading before those sections.

(4) In section 28A (completion of enquiry into personal or trustee return)—
  (a) in subsection (1), omit "or 12ZM", and
  (b) in the heading, omit "or NRCGT return".

(5) Omit section 28G (determination of amount notionally chargeable where no NRCGT return delivered).

(6) In section 29 (assessment where loss of tax discovered), omit subsection (7)(a)(ia).

(7) Omit section 29A (non-resident CGT disposals: determination of amount which should have been assessed).

(8) In section 34 (ordinary time limit of 4 years), omit subsection (1A).

(9) In section 42 (procedure for making claims etc), in subsection (11)(a)—
  (a) omit "12ZB", and
  (b) after "12AA of this Act" insert " or a return under Schedule 2 to the Finance Act 2019 ".

(10) After section 59A insert—

"**59AZA Payments on account of capital gains tax: disposals of land etc**

For provision requiring payments to be made on account of capital gains tax, see Schedule 2 to the Finance Act 2019."

(11) Omit section 59AA (non-resident CGT disposals: payments on account of capital gains tax).

(12) In section 59B (payment of income tax and capital gains tax: assessments other than simple assessments)—
  (a) in subsection (1)(b), for "or 59AA of this Act" substitute " of this Act or under Schedule 2 to the Finance Act 2019 ", and
  (b) omit subsection (2A).

(13) In section 59BA (payment of income tax and capital gains tax: simple assessments), in subsection (2)(b), for "or 59AA" substitute " of this Act or under Schedule 2 to the Finance Act 2019 ".

(14) In section 107A (relevant trustees), in subsection (2)(b)—
  (a) omit ", 59AA", and
  (b) after "59B of this Act" insert " or under Schedule 2 to the Finance Act 2019 ".

(15) In section 118 (interpretation), omit the definition of "NRCGT return".

(16) In Schedule 3ZA (date by which payment to be made after amendment or correction of self-assessment)—
  (a) in paragraph 1(1), omit "or an advance self-assessment (see section 12ZE(1))",
  (b) in paragraph 1(2), omit "59AA(2) or",
  (c) in paragraph 2(1), omit "or an amendment of an advance self-assessment under section 12K (amendment of NRCGT return by taxpayer)",

Changes to legislation: *There are currently no known outstanding effects for the Finance Act 2019, SCHEDULE 2. (See end of Document for details)*

(d) in paragraph 2(3), omit "or 12ZN(3)" and "or advance self-assessment",

(e) in paragraph 3(1), omit "or 12ZL" and "or NRCGT return", and

(f) in paragraph 5(1), omit "or advance self-assessment".

Amendments of other Acts

26 (1) TCGA 1992 is amended as follows.

(2) In section 222A (determination of main residence: disposals by non-residents)—

(a) in subsection (6)(a), for "the NRCGT return" substitute " the return under Schedule 2 to the Finance Act 2019 ", and

(b) in subsection (7)(a), for "an NRCGT return" substitute " a return under Schedule 2 to the Finance Act 2019 ".

(3) In section 223A (amount of relief: disposals by non-residents), in subsection (3)(b), for "the NRCGT return" substitute " the return under Schedule 2 to the Finance Act 2019 ".

27 (1) Schedule 24 to FA 2007 (penalties for errors) is amended as follows.

(2) In paragraph 1(4), in the entry relating to capital gains tax, in the second column, for "section 12ZB of TMA 1970 (NRCGT return)" substitute " Schedule 2 to FA 2019 ".

(3) In paragraph 21C, for "section 59AA(2) of TMA 1970 (non-resident CGT disposals: payments on account of capital gains tax)" substitute " Schedule 2 to FA 2019 ".

28 (1) Schedule 36 to FA 2008 (information and inspection powers) is amended as follows.

(2) For paragraph 21ZA and the italic heading before it substitute—

"Application of paragraph 21 in case of returns under Schedule 2 to FA 2019

21ZA(1) For the purposes of paragraph 21 any reference to the making by a person of a return under section 8 or 8A of TMA 1970 includes the making by the person of a return under Schedule 2 to FA 2019.

(2) In the application of paragraph 21 in relation to a return under Schedule 2 to FA 2019, the return is to be treated as if it required a self-assessment of an amount of capital gains tax.

(3) For the purposes of paragraph 21, the definition of "the notice of enquiry" in its application to a return under Schedule 2 to FA 2019 needs to be read in the light of the provision made by paragraph 20 of that Schedule."

29 (1) Schedule 55 to FA 2009 (penalty for failure to make returns etc) is amended as follows.

(2) In the table in paragraph 1(5), in item 2A, in the third column, for "NRCGT return under section 12ZB of TMA 1970" substitute " Return under Schedule 2 to FA 2019 (other than one made under paragraph 9 or 15 of that Schedule) ".

(3) Schedule 55 to FA 2009, as amended by this paragraph, is taken to have come into force for the purposes of returns under this Schedule on the day on which this Act is passed.

30 (1) Schedule 56 to FA 2009 (penalty for failure to make payments on time) is amended as follows.

(2) In paragraph 1, in the Table, after item 3A insert—

"3B	Capital gains tax	Amount payable under paragraph 6 of Schedule 2 to FA 2019 where not included in a return under section 8 or 8A of TMA 1970	The date falling 30 days after 31 January in the tax year following the one in which the disposal was made"

(3) In paragraph 3(1)(a), after "3" insert " , 3B ".

(4) In paragraph 5(3) of Schedule 11 to F(No.3)A 2010 (which amends paragraph 3(1)(a) of Schedule 56 to FA 2009), after "3" insert (in both places) " 3B ".

(5) Schedule 56 to FA 2009, as amended by this paragraph, is taken to have come into force for the purposes of returns under this Schedule on the day on which this Act is passed.

Late payment interest

31 So far as relating to amounts that are payable (or repayable) as a result of a requirement under this Schedule, sections 101 to 103 of FA 2009 (late payment interest on sums due to HMRC etc) come into force on 6 April 2019.

Commencement

32 (1) The amendments made by this Part of this Schedule have effect in relation to disposals made on or after 6 April 2019.

(2) But section 12ZG of TMA 1970 (cases where advance self-assessment not required) continues to have effect in relation to disposals made on or after that date but before 6 April 2020; and that section has effect in relation to those disposals—

(a) as if references to an NRCGT return were to a return under this Schedule, and

(b) as if references to section 12ZE(1) of TMA 1970 were to paragraph 6 of this Schedule.

Changes to legislation:
There are currently no known outstanding effects for the Finance Act 2019, SCHEDULE 2.