



# Finance Act 2020

## CHAPTER 14

### FINANCE ACT 2020

#### PART 1

##### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

###### *Income tax charge, rates etc*

- 1 Income tax charge for tax year 2020-21
- 2 Main rates of income tax for tax year 2020-21
- 3 Default and savings rates of income tax for tax year 2020-21
- 4 Starting rate limit for savings for tax year 2020-21

###### *Corporation tax charge and rates*

- 5 Main rate of corporation tax for financial year 2020
- 6 Corporation tax: charge and main rate for financial year 2021

###### *Employment income and social security income*

- 7 Workers' services provided through intermediaries
- 8 Determining the appropriate percentage for a car: tax year 2020-21 onwards
- 9 Determining the appropriate percentage for a car: tax year 2020-21 only
- 10 Determining the appropriate percentage for a car: tax year 2021-22 only
- 11 Apprenticeship bursaries paid to persons leaving local authority care
- 12 Tax treatment of certain Scottish social security benefits
- 13 Power to exempt social security benefits from income tax
- 14 Voluntary office-holders: payments in respect of expenses

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### *Loan charge*

- 15 Loan charge not to apply to loans or quasi-loans made before 9 December 2010
- 16 Election for loan charge to be split over three tax years
- 17 Loan charge reduced where underlying liability disclosed but unenforceable
- 18 Relief from interest on tax payable by a person subject to the loan charge
- 19 Minor amendments relating to the loan charge
- 20 Repaying sums paid to HMRC under agreements relating to certain loans etc
- 21 Operation of the scheme

### *Pensions*

- 22 Annual allowance: tapered reduction

### *Chargeable gains*

- 23 Entrepreneurs' relief
- 24 Relief on disposal of private residence
- 25 Corporate capital losses
- 26 Quarterly instalment payments
- 27 Relief from CGT for loans to traders

### *Reliefs for business*

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- 29 Structures and buildings allowances: rate of relief
- 30 Structures and buildings allowances: miscellaneous amendments
- 31 Intangible fixed assets: pre-FA 2002 assets etc

### *Miscellaneous measures affecting companies*

- 32 Non-UK resident companies carrying on UK property businesses etc
- 33 Surcharge on banking companies: transferred-in losses
- 34 CT payment plans for tax on certain transactions with EEA residents
- 35 Changes to accounting standards affecting leases

### *Investments*

- 36 Enterprise investment scheme: approved investment fund as nominee
- 37 Gains from contracts for life insurance etc: top slicing relief
- 38 Losses on disposal of shares: abolition of requirement to be UK business

## **PART 2**

### DIGITAL SERVICES TAX

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- 39 Digital services tax: introduction

#### *Digital services revenues, UK digital services revenues etc*

- 40 Meaning of “digital services revenues”

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 2020. (See end of Document for details)

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- 41 Meaning of “UK digital services revenues”
- 42 UK digital services revenues: accommodation and land
- 43 Meaning of “digital services activity” etc
- 44 Meaning of “user” and “UK user”
- 45 Exclusion for online financial marketplaces

*Charge to tax*

- 46 Meaning of “the threshold conditions”
- 47 Charge to DST
- 48 Alternative basis of charge
- 49 Section 48: meaning of “relevant operating expenses”
- 50 Relief for certain cross-border transactions
- 51 When DST is due and payable

*Duty to submit returns etc*

- 52 Meaning of “the responsible member”
- 53 Continuity of obligations etc where change in the responsible member
- 54 Duty to notify HMRC when threshold conditions are met
- 55 Duty to notify HMRC of change in relevant information
- 56 Duty to file returns

*Groups, parents and members*

- 57 Meaning of “group”, “parent” etc
- 58 Section 57: meaning of “relevant entity”
- 59 Continuity of a group over time
- 60 Treatment of stapled entities

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- 61 Accounting periods and meaning of “a group's accounts”
- 62 Apportionment of revenues or expenses to accounting period
- 63 Meaning of revenues arising, or expenses recognised, in a period
- 64 Meaning of “the applicable accounting standards” etc

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- 65 Anti-avoidance
- 66 Notice requiring payment from other group members
- 67 Interest on overdue DST
- 68 Interest on overpaid DST etc
- 69 Recovery of DST liability
- 70 Minor and consequential amendments
- 71 Review of DST

*General*

- 72 Interpretation of Part

**PART 3**

**OTHER TAXES**

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2020. (See end of Document for details)*

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*Inheritance tax*

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- 74 Transfers between settlements etc
- 75 Relief for payments to victims of persecution during Second World War era

*Stamp duty land tax*

- 76 Exceptional circumstances preventing disposal of interest in three year period

*Stamp duty and stamp duty reserve tax*

- 77 Stamp duty: transfers of unlisted securities and connected persons
- 78 SDRT: unlisted securities and connected persons
- 79 Stamp duty: acquisition of target company's share capital

*Value added tax*

- 80 Call-off stock arrangements

*Alcohol liquor duties*

- 81 Post-duty point dilution of wine or made-wine

*Tobacco products duty*

- 82 Rates of tobacco products duty

*Vehicle taxes*

- 83 Rates for light passenger or light goods vehicles, motorcycles etc
- 84 Applicable CO2 emissions figure determined using WLTP values
- 85 Electric vehicles: extension of exemption
- 86 Motor caravans
- 87 Exemption in respect of medical courier vehicles
- 88 HGV road user levy : exempt period
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*Hydrocarbon oil duties*

- 89 Rebated fuel: private pleasure craft

*Air passenger duty*

- 90 Rates of air passenger duty from 1 April 2021

*Gaming duty*

- 91 Amounts of gross gaming yield charged to gaming duty

*Environmental taxes*

- 92 Rates of climate change levy until 1 April 2021
- 93 Rates of climate change levy from 1 April 2021
- 94 Rates of landfill tax
- 95 Carbon emissions tax

- 96 Charge for allocating allowances under emissions reduction trading scheme

*Import duty*

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**PART 4**

MISCELLANEOUS AND FINAL

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99 HMRC debts: regulations

*Joint and several liability*

- 100 Joint and several liability of company directors etc

*General anti-abuse rule*

- 101 Amendments relating to the operation of the GAAR

*Compensation schemes etc*

- 102 Tax relief for scheme payments etc

*Administration*

- 103 HMRC: exercise of officer functions  
104 Returns relating to LLP not carrying on business etc with view to profit  
105 Interest on unpaid tax in case of disaster etc of national significance

*Coronavirus*

- 106 Taxation of coronavirus support payments  
107 Enterprise management incentives  
108 Protected pension age of members re-employed as a result of coronavirus  
109 Modifications of the statutory residence test in connection with coronavirus  
110 Future Fund: EIS and SEIS relief

*Preparing for new tax*

- 111 Preparing for a new tax in respect of certain plastic packaging

*Local loans*

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*Other*

- 113 Interpretation  
114 Short title

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2020. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 1 — Workers' services provided through intermediaries

#### PART 1 — AMENDMENTS TO CHAPTER 8 OF PART 2 OF ITEPA 2003

- 1 Chapter 8 of Part 2 of ITEPA 2003 (application of...
- 2 For the heading of the Chapter substitute “Workers' services provided...
- 3 (1) Section 48 (scope of Chapter) is amended as follows....
- 4 (1) Section 50 (worker treated as receiving earnings from employment)...
- 5 After section 60 insert— When a person qualifies as small...
- 6 In section 61(1) (interpretation), in the definition of company, before...

#### PART 2 — AMENDMENTS TO CHAPTER 10 OF PART 2 OF ITEPA 2003

- 7 Chapter 10 of Part 2 of ITEPA 2003 (workers' services...
- 8 For the heading of the Chapter substitute “Workers' services provided...
- 9 (1) Section 61K (scope of Chapter) is amended as follows....
- 10 In section 61L (meaning of “public authority”) in subsection (1)—...
- 11 (1) Section 61M (engagements to which the Chapter applies) is...
- 12 (1) Section 61N (worker treated as receiving earnings from employment)...
- 13 After section 61N insert— Meaning of status determination statement
- 14 (1) For the purposes of section 61N “status determination statement”...
- 14 In section 61O(1) (conditions where intermediary is a company) for...
- 15 In section 61R (application of Income Tax Acts in relation...
- 16 For section 61T substitute— Client-led status disagreement process (1)
- 16 This section applies if, before the final chain payment...
- 17 (1) Section 61W (prevention of double charge to tax and...

#### PART 3 — CONSEQUENTIAL AND MISCELLANEOUS AMENDMENTS

- 18 In section 61D of ITEPA 2003 (managed service companies: worker...
- 19 After section 688A of ITEPA 2003 insert— Workers' services provided...
- 20 In section 60 of FA 2004 (construction industry scheme: meaning...
- 21 For the italic heading before section 141A of CTA 2009...
- 22 In the heading of section 141A of CTA 2009 for...
- 23 (1) Part 13 of CTA 2009 (additional relief for expenditure...

#### PART 4 — COMMENCEMENT AND TRANSITIONAL PROVISIONS

#### *Commencement*

- 24 The amendments made by Part 1 of this Schedule have...
- 25 The amendments made by Part 2 of this Schedule have...
- 26 The amendment made by paragraph 18 of this Schedule has...
- 27 The amendment made by paragraph 20 of this Schedule has...
- 28 The amendments made by paragraph 23 of this Schedule have...
- 29 Sections 101 to 103 of FA 2009 (interest) come into...

#### *Transitional provisions*

- 30 (1) This paragraph applies where— (a) the client in the...
- 31 (1) This paragraph applies where— (a) the client in the...
- 32 (1) This paragraph applies for the purposes of paragraphs 30...
- 33 For the purposes of section 61N(5), (5A)(a) and (8)(za) of...
- 34 For the purposes of section 61T of ITEPA 2003—

SCHEDULE 2 — The loan charge: consequential amendments  
PART 1 — AMENDMENTS TO F(No.2)A 2017 IN CONSEQUENCE OF SECTION 15

- 1 Schedule 11 to F(No.2)A 2017 (employment income provided through third...
- 2 In paragraph 1 (application of Part 7A of ITEPA 2003:...
- 3 For the italic heading before paragraph 2 substitute “Meaning of...
- 4 In paragraph 2 (meaning of “loan”, “quasi-loan” and “approved repayment...
- 5 (1) Paragraph 4 (when an amount of a loan is...
- 6 In paragraph 5 (meaning of “outstanding”: loans where A or...
- 7 In paragraph 13 (meaning of “outstanding”: quasi-loans where A or...
- 8 Omit paragraph 19 (meaning of “approved fixed term loan”) and...
- 9 For the heading of Part 2 substitute “ Accelerated payments...
- 10 Omit paragraphs 20 to 22 and the italic headings before...
- 11 Omit the italic heading before paragraph 23.
- 12 (1) Paragraph 23 (accelerated payments) is amended as follows.
- 13 (1) Paragraph 35A (when the duty to provide loan charge...
- 14 In paragraph 35B (duty of appropriate third party to provide...
- 15 (1) Paragraph 35D (meaning of “loan charge information”) is amended...
- 16 (1) Paragraph 36 (duty to provide loan charge information to...
- 17 Schedule 12 to F(No.2)A 2017 (trading income provided through third...
- 18 For the italic heading before paragraph 2 substitute “Meaning of...
- 19 In paragraph 2 (meaning of “loan”, “quasi-loan” and “approved repayment...
- 20 Omit paragraphs 15 to 18 and the italic heading before...
- 21 (1) Paragraph 19 (accelerated payments: application of paragraph 20) is...
- 22 In paragraph 23 (meaning of “loan charge information”) in sub-paragraph...

PART 2 — AMENDMENTS IN CONSEQUENCE OF SECTION 16

*ITEPA 2003*

- 23 ITEPA 2003 is amended as follows.
- 24 (1) Section 554A (application of Chapter 2 of Part 7A:...
- 25 In section 554Z (interpretation: general) in subsection (10)(d) after “paragraph...

*F(No.2)A 2017*

- 26 Schedule 11 to F(No.2)A 2017 (employment income provided through third...
- 27 In paragraph 2 (meaning of “loan”, “quasi-loan” and “approved repayment...
- 28 In paragraph 3(1) (meaning of “outstanding”: loans) for “paragraph 1”...
- 29 In paragraph 4 (when an amount of a loan is...
- 30 In paragraph 5 (meaning of “outstanding”: loans where A or...
- 31 In paragraph 7 (meaning of “outstanding”: loans in currencies other...
- 32 In paragraph 10 (meaning of “outstanding”: loans made in a...
- 33 In paragraph 11(1) (meaning of “outstanding”: quasi-loans) for “paragraph 1”...
- 34 In paragraph 12 (certain payments or transfers to be disregarded...

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- 35 In paragraph 13 (meaning of “outstanding”: quasi-loans where A or...  
 36 In paragraph 15 (meaning of “outstanding”: quasi-loans in currencies other...  
 37 In paragraph 18 (meaning of “outstanding”: quasi-loans made in a...  
 38 After paragraph 35 insert— Exclusion for relevant step within paragraph...

*Social Security (Contributions) Regulations 2001*

- 39 (1) The Social Security (Contributions) Regulations 2001 (S.I. 2001/1004) are...

SCHEDULE 3 — Entrepreneurs' relief  
 PART 1 — REDUCTION IN LIFETIME LIMIT

*Reduction in lifetime limit*

- 1 In section 169N of TCGA 1992 (entrepreneurs' relief: amount of...

*Commencement*

- 2 The amendments made by paragraph 1 have effect in relation...

*Anti-forestalling: unconditional contracts*

- 3 (1) This paragraph applies where an asset is conveyed or...

*Anti-forestalling: reorganisations of share capital*

- 4 (1) This paragraph applies where— (a) on or after 6...

*Anti-forestalling: exchanges of securities etc*

- 5 (1) This paragraph applies where— (a) on or after 6...

*Interpretation*

- 6 (1) Paragraphs 2 to 5 are to be construed as...  
 PART 2 — RE-NAMING THE RELIEF  
 7 (1) In section 169H(1) of TCGA 1992 (relief under Chapter...  
 8 This Part of this Schedule has effect for the tax...

SCHEDULE 4 — Corporate capital losses  
 PART 1 — CORPORATE CAPITAL LOSS RESTRICTION

*Restriction on deduction from chargeable gains: main provisions*

- 1 Part 7ZA of CTA 2010 (restrictions on obtaining certain deductions)...  
 2 After section 269ZB insert— Restriction on deductions from chargeable gains...  
 3 (1) Section 269ZC (restriction on deductions from non-trading profits) is...  
 4 In section 269ZD (restriction on deductions from total profits), in...  
 5 In section 269ZF (relevant profits), after subsection (2) insert—  
 6 In section 269ZF, in subsection (3), for steps 3 to...  
 7 In section 269ZF(4) (calculation of modified total profits)—



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*Insolvent companies*

- 8 After section 269ZW insert— Increase of deductions allowance for insolvent...
- 9 In section 269ZZ (company tax return to specify amount of...

*Companies without a source of chargeable income*

- 10 After section 269ZY of CTA 2010 insert— Deductions allowance for...

*Offshore collective investment vehicles*

- 11 In section 269ZZB of CTA 2010 (meaning of “group”), at...

*Insurance companies: ring fence*

- 12 (1) Section 210A of TCGA 1992 (insurance: ring-fencing of losses)...
- 13 After section 269ZFB of CTA 2010 insert— Restriction on deductions...
- 14 (1) Part 7ZA of CTA 2010 is amended in accordance...
- 15 In section 95 of FA 2012 (use of non-BLAGAB allowable...

*Oil activities: ring fence*

- 16 In section 197 of TCGA 1992 (disposals of interests in...

*Clogged losses*

- 17 In section 18 of TCGA 1992 (transactions between connected persons)...

*Pre-entry losses*

- 18 (1) Schedule 7A to TCGA 1992 (restriction on set-off of...

*Real estate investment trusts*

- 19 Part 12 of CTA 2010 (real estate investment trusts) is...
- 20 In section 535B (use of pre-April 2019 residual business losses)...
- 21 In section 550 (attribution of distributions) at the end insert—...
- 22 In section 556 (disposal of assets) in subsection (7), for...

*Counteraction of avoidance arrangements*

- 23 (1) Section 19 of F(No.2)A 2017 (losses: counteraction of avoidance...

*Minor and consequential amendments to Part 7ZA of CTA 2010*

- 24 Part 7ZA of CTA 2010 is amended as follows.
- 25 (1) Section 269ZB (restriction on deductions from trading profits) is...
- 26 In section 269ZC (restriction on deductions from non-trading profits) omit...
- 27 In section 269ZD (restriction on deductions from total profits) omit...
- 28 After section 269ZD insert— References to a company's “deductions allowance”...
- 29 (1) Section 269ZF (“relevant trading profits” and “relevant non-trading profits”)...
- 30 (1) Section 269ZFA (“relevant profits”) is amended as follows.

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- 31 In section 269ZG (general insurance companies: excluded accounting periods), in...
- 32 In section 269ZR (deductions allowance for company in a group),...
- 33 In section 269ZW (deductions allowance for company not in a...
- 34 In section 269ZZ (company tax return to specify amount of...
- 35 (1) Section 269ZZA(1) (excessive specification of deductions allowance: application of...

*Minor and consequential amendments to Part 7A of CTA 2010*

- 36 Part 7A of CTA 2010 (banking companies: restrictions on obtaining...
- 37 (1) Section 269CB (restriction on deductions for non-trading deficits from...
- 38 In section 269CN (definitions)— (a) omit the definition of “relevant...  
PART 2 — CORPORATE CAPITAL LOSS DEDUCTIONS: MISCELLANEOUS PROVISION

*Companies without a source of chargeable income: carry back of losses*

- 39 In section 2A of TCGA 1992 (company's total profits to...

*Insurance companies: minor amendments to TCGA 1992 and FA 2012*

- 40 In section 210A of TCGA 1992, in subsection (10C), for...
- 41 In section 93 of FA 2012 (minimum profits test), at...  
PART 3 — COMMENCEMENT AND ANTI-FORESTALLING PROVISION

*Commencement*

- 42 The amendments made by this Schedule have effect in relation...
- 43 (1) Paragraph 44 applies where a company has an accounting...
- 44 (1) The amount of chargeable gains to be included in...
- 45 (1) This paragraph applies in relation to a non-UK resident...

*Anti-forestalling provision*

- 46 (1) This sub-paragraph applies if— (a) a company has an...

SCHEDULE 5 — Structures and buildings allowances

*Introduction*

- 1 CAA 2001 is amended as follows.

*Research and development allowances*

- 2 In Part 2A (structures and buildings allowances), for section 270EC...

*Contribution allowances*

- 3 (1) Section 538A (contributions: buildings and structures) is amended as...

*Minor amendments*

- 4 In section 270AA(2) (entitlement to structures and buildings allowances), at...

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- 5 In section 270BB (capital expenditure incurred on construction), in subsection...
- 6 In section 270BL (apportionment of sums partly referable to non-qualifying...
- 7 In section 270IA (evidence of qualifying expenditure etc), in subsection...

#### *Commencement*

- 8 The amendment made by paragraph 2 has effect in the...
- 9 The amendments made by paragraph 3 have effect in relation...
- 10 Part 2A of CAA 2001 has effect, and is to...

#### SCHEDULE 6 — Non-UK resident companies carrying on UK property businesses etc

##### *Calculation of non-trading profits and deficits from loan relationships or derivative contracts*

- 1 In section 301 of CTA 2009 (calculation of non-trading profits...
- 2 In section 574 of CTA 2009 (derivative contracts: non-trading credits...

##### *Debits referable to times before UK property business etc is carried on*

- 3 After section 330 of CTA 2009 insert— Pre-commencement debits of...
- 4 After section 607 of CTA 2009 insert— Debits referable to...
- 5 In paragraph 40 of Schedule 5 to FA 2019 (transitional...

##### *Duty to notify chargeability to corporation tax: exceptions*

- 6 In paragraph 2 of Schedule 18 to FA 1998 (duty...
- 7 In section 55A(1) of FA 2004 (exception to duty of...

##### *Period for making election under regulation 6A of the Disregard Regulations*

- 8 In regulation 6A of the Loan Relationships and Derivative Contracts...
- 9 In paragraph 44 of Schedule 5 to FA 2019, at...

#### *Commencement*

- 10 Schedule 5 to FA 2019 has effect as if the...
- 11 The amendments made by paragraphs 8 and 9 have effect...

#### SCHEDULE 7 — CT payment plans for tax on certain transactions with EEA residents

##### *CT payment plans*

- 1 In TMA 1970, after section 59FA insert— CT payment plans...
- 2 After Schedule 3ZB to TMA 1970 insert— SCHEDULE 3ZC CT...

##### *Penalties*

- 3 (1) Schedule 56 to FA 2009 (penalty for failure to...

#### *Commencement*

- 4 (1) The amendments made by this Schedule—

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*Power of repeal*

- 5 (1) The Treasury may by regulations— (a) repeal section 59FB...

SCHEDULE 8 — Digital services tax: returns, enquiries, assessments and appeals

PART 1 — INTRODUCTION

- 1 (1) References in this Schedule— (a) to the delivery of...

PART 2 — DST RETURNS

*DST returns*

- 2 (1) A DST return for an accounting period must be...

*Amendment of return by responsible member*

- 3 (1) This paragraph applies where a DST return has been...

PART 3 — DUTY TO KEEP AND PRESERVE RECORDS

*Duty to keep and preserve records*

- 4 (1) This paragraph applies in relation to a group for...

*Preservation of information etc*

- 5 The duty under paragraph 4 to preserve records may be...

PART 4 — ENQUIRY INTO RETURN

*Notice of enquiry*

- 6 (1) An officer of Revenue and Customs may enquire into...

*Scope of enquiry*

- 7 (1) An enquiry extends to anything contained in the return,...

*Amendment of self-assessment during enquiry to prevent loss of tax*

- 8 (1) If at a time when an enquiry is in...

*Amendment of return by responsible member during enquiry*

- 9 (1) This paragraph applies if a DST return is amended...

*Referral of questions to the tribunal during enquiry*

- 10 (1) At any time when an enquiry is in progress...

*Withdrawal of notice of referral*

- 11 An officer of Revenue and Customs or the responsible member...

*Effect of referral on enquiry*

- 12 (1) While proceedings on a referral under paragraph 10 are...

*Effect of determination*

- 13 (1) The determination of a question referred to the tribunal...

*Completion of enquiry*

- 14 (1) An enquiry is completed when an officer of Revenue...

*Direction to complete enquiry*

- 15 (1) The responsible member may apply to the tribunal for...  
PART 5 — HMRC DETERMINATIONS

*Determination of tax chargeable if no return delivered*

- 16 (1) An officer of Revenue and Customs may determine to...

*Determination to have effect as a self-assessment*

- 17 (1) An HMRC determination has effect for enforcement purposes as...

*Determination superseded by actual self-assessment*

- 18 (1) If, after an HMRC determination has been made, a...  
PART 6 — HMRC ASSESSMENTS

*Assessments where loss of tax discovered*

- 19 (1) If, in respect of an accounting period of a...

*Restrictions on assessments*

- 20 (1) If a DST return has been delivered in respect...

*Time limits for discovery assessments*

- 21 (1) The general rule is that no discovery assessment may...

*Assessment procedure etc*

- 22 (1) Where notice of a discovery assessment is issued, the...

*Liability to amounts charged by way of discovery assessment*

- 23 (1) This paragraph applies where— (a) notice of a discovery...  
PART 7 — RELIEF IN CASE OF OVERPAID TAX

*Claim for relief for overpaid tax*

- 24 (1) This paragraph applies where, in relation to a group,...

*Making a claim*

- 25 (1) A claim under paragraph 24 may not be made—...

*Cases in which Commissioners not liable to give effect to claim*

- 26 (1) If, or to the extent that, a claim under...

*Power to enquire into claims*

- 27 (1) An officer of Revenue and Customs may enquire into...

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*Completion of enquiry into claim etc*

- 28 (1) An enquiry under paragraph 27 is completed when the...

*Assessment for excessive repayment etc*

- 29 (1) This paragraph applies where— (a) an amount has been...

*Supplementary assessments*

- 30 (1) This paragraph applies where— (a) an assessment has been...

*Further provision about assessments under paragraphs 29 and 30*

- 31 (1) An amount assessed and notified under paragraph 29 or...

*Time limits for assessments*

- 32 An assessment under paragraph 29 or 30 may not be...

PART 8 — APPEALS AGAINST HMRC DECISIONS ON TAX

*Right of appeal*

- 33 (1) An appeal may be brought against—

*Notice of appeal*

- 34 (1) Notice of appeal under paragraph 33 must be given...

*Late notice of appeal*

- 35 (1) This paragraph applies in a case where—

*Steps that may be taken following notice of appeal*

- 36 (1) This paragraph applies if notice of appeal has been...

*Right of appellant to require review*

- 37 (1) If the appellant notifies HMRC that it requires them...

*Offer of review by HMRC*

- 38 (1) Sub-paragraphs (2) to (5) apply if HMRC notify the...

*Nature of review*

- 39 (1) This paragraph applies if HMRC are required by paragraph...

*Effect of conclusions of review*

- 40 (1) If HMRC give notice of the conclusions of a...

*Notifying appeal to tribunal after appellant has required review*

- 41 (1) Where HMRC have notified an appellant under paragraph 37(1)(a)...

*Notifying appeal to tribunal after HMRC have offered review*

- 42 (1) Where HMRC have offered to review the matter to...

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*Interpretation of paragraphs 36 to 42*

43 (1) In paragraphs 36 to 42— (a) “matter in question”...

*Settling of appeals by agreement*

44 (1) In relation to an appeal of which notice has...

*Appeal does not postpone recovery of tax*

45 (1) Where there is an appeal under paragraph 33, the...

*Application for payment of tax to be postponed*

46 (1) If the appellant has grounds for believing that the...

*Agreement to postpone payment of tax*

47 (1) If the appellant and HMRC agree that payment of...

*Assessments and self-assessments*

48 (1) This paragraph applies where an appeal under paragraph 33...

*Payment of tax where appeal has been determined*

49 (1) This paragraph applies where an appeal under paragraph 33...

*Payment of tax where there is a further appeal*

50 (1) Where a party to an appeal to the tribunal...

*Tribunal determinations*

51 The determination of the tribunal in relation to any proceedings...

PART 9 — PENALTIES

*Failure to deliver return: flat-rate penalty*

52 (1) A person who is required to file a DST...

*Failure to deliver return: tax-related penalty*

53 (1) A person who is required to file a DST...

*Failure to deliver a return: reasonable excuse*

54 (1) Liability to a penalty under paragraph 52 or 53...

*Failure to keep and preserve records: penalty*

55 (1) A person who fails to comply with paragraph 4...

*Assessment of penalty, etc*

56 (1) If a person is liable to a penalty under...

*Special reduction*

57 (1) If HMRC think it right because of special circumstances,...

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*Right to appeal against penalty*

58 A person may appeal against— (a) a decision of HMRC...

*Procedure on appeal against penalty*

59 (1) Part 8 of this Schedule (apart from paragraphs 33,...

*Payments in respect of penalties*

60 (1) This paragraph applies if— (a) a person liable to...

SCHEDULE 9 — DST payment notices

*Introduction*

1 (1) This Schedule applies where a payment notice has been...

*Payment notice: effect*

2 (1) For the purposes of the recovery from the recipient...

*Payment notice: appeals*

3 (1) The recipient may appeal against the notice, within the...

*Payment notices: effect of making payment etc*

4 (1) If the recipient pays any amount in pursuance of...

SCHEDULE 10 — Digital services tax: minor and consequential amendments

*Provisional Collection of Taxes Act 1968*

1 In section 1(1) of the Provisional Collection of Taxes Act...

*FA 1989*

2 (1) Section 178(2) of FA 1989 (setting of interest rates)...

*FA 2007*

3 (1) Schedule 24 to FA 2007 (penalties for errors) is...

*FA 2008*

4 FA 2008 is amended as follows.

5 (1) Schedule 36 (information and inspection powers) is amended as...

6 (1) Schedule 41 (penalties for failure to notify etc) is...

SCHEDULE 11 — Private pleasure craft

*Amendments of HODA 1979*

1 HODA 1979 is amended as follows.

2 In section 6AB(4A) after “vehicles” insert “ etc ”.

3 (1) Section 12 is amended as follows.

4 In section 13ZB(5), in paragraph (b) of the definition of...

5 In section 14A for subsection (4) substitute—



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- 6 (1) Section 14B is amended as follows.
- 7 (1) Section 14C is amended as follows.
- 8 For section 14E substitute— Restrictions on use of certain fuel...
- 9 For section 14F substitute— Penalties for contravention of section 14E...
- 10 In section 20AAA(4)(a) after “vehicle” insert “ or as fuel...
- 11 In section 24 (control of use of duty-free and rebated...
- 12 In section 27(1) at the appropriate place insert— “private pleasure...
- 13 (1) Schedule 4 (regulations under section 24) is amended as...
- 14 (1) Schedule 5 (sampling) is amended as follows.

#### *Other amendments*

- 15 In Schedule 7A to VATA 1994, in Group 1, in...
- 16 In Schedule 41 to FA 2008, in the table in...
- 17 In Schedule 9 to TCTA 2018, in paragraph 6 omit...

#### *General*

- 18 Paragraphs 1 to 17 of this Schedule come into force...
- 19 Different days may be appointed for different purposes or different...
- 20 The Treasury may by regulations make such transitional, transitory or...
- 21 The Treasury may by regulations make such amendments of any...
- 22 A statutory instrument containing regulations under paragraph 21 is subject...
- 23 Any power to make regulations under this Schedule is exercisable...

### SCHEDULE 12 — Carbon emissions tax

#### *Introduction*

- 1 Part 3 of FA 2019 (carbon emissions tax) is amended...

#### *Power to set emissions allowance*

- 2 (1) Section 73 (emissions allowance) is amended in accordance with...

#### *Power to make further provision by regulations*

- 3 In section 70 (charge to carbon emission tax), at the...
- 4 (1) Section 75 (power to make further provision about carbon...
- 5 In section 76 (consequential provision), in subsection (5), for the...
- 6 (1) Section 78 (regulations) is amended in accordance with this...

#### *Interpretation*

- 7 (1) Section 77 (interpretation) is amended in accordance with this...

#### *Commencement and transitional provision*

- 8 (1) Section 79 (commencement and transitional provision) is amended in...

#### *Penalty for failure to make payments on time*

- 9 In Schedule 56 to FA 2009 (penalty for failure to...

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### *Commencement*

10 Paragraph 9 comes into force on such day as the...

## SCHEDULE 13 — Joint and several liability of company directors etc

### *Introduction*

1 (1) This Schedule provides for an individual to be jointly...

### *Tax avoidance and tax evasion cases*

2 (1) An authorised HMRC officer may give a notice under...

### *Repeated insolvency and non-payment cases*

3 (1) An authorised HMRC officer may give a notice under...

4 (1) The Treasury may by regulations made by statutory instrument—...

### *Cases involving penalty for facilitating avoidance or evasion*

5 (1) An authorised HMRC officer may give a notice under...

### *“Tax-avoidance arrangements”*

6 (1) In this Schedule “tax-avoidance arrangements” means—

### *“Tax-evasive conduct”*

7 In this Schedule “tax-evasive conduct” means— (a) giving to HMRC...

### *“Insolvency procedure” etc*

8 (1) For the purposes of this Schedule a company is...

### *Interaction with penalties*

9 The amount for which an individual is jointly and severally...

### *Withdrawal or modification of notice*

10 (1) HMRC must withdraw a joint liability notice given to...

### *Right of review*

11 (1) Where— (a) an individual is given a joint liability...

### *Reviews under paragraph 11*

12 (1) This paragraph applies where HMRC are required to undertake...

### *Right of appeal*

13 (1) An individual who has been given—

### *Appeals under paragraph 13*

14 (1) On an appeal under paragraph 13—

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*Appeal in respect of liability of company*

15 (1) Where— (a) an individual is made jointly and severally...

*Proceedings for determination of penalty to be imposed on company*

16 Where an individual is given a notice under paragraph 5(1)...

*Cases where company has ceased to exist*

17 (1) Where a joint liability notice is given to an...

*Application to limited liability partnerships*

18 (1) This paragraph has effect for the purposes of this...

*Interpretation*

19 In this Schedule— “authorised HMRC officer” means an officer of...

SCHEDULE 14 — Amendments relating to the operation of the GAAR

*Introduction*

1 Part 5 of FA 2013 (the general anti-abuse rule) is...

*Protecting adjustments under the GAAR before time limits expire*

- 2 In section 209 (counteracting the tax advantage), for subsection (6)...
- 3 After section 209 insert— Protective GAAR notices (1) An officer of Revenue and Customs may give a...
- 4 After section 209AA (as inserted by paragraph 3) insert— Adjustments...
- 5 After section 209AB (as inserted by paragraph 4) insert— Sections...
- 6 Omit sections 209A to 209F (provisional counteraction notices).
- 7 In section 214(1) (interpretation of Part 5 of FA 2013),...

*Minor amendments*

- 8 In paragraph 11 of Schedule 43A (meaning of “equivalent arrangements”),...
- 9 In paragraph 5 of Schedule 43C (penalty under section 212A),...

*Commencement*

- 10 The amendment made by paragraph 2 has effect in relation...
- 11 The amendment made by paragraph 3 has effect in relation...
- 12 The amendment made by paragraph 4 has effect in relation...
- 13 The amendment made by paragraph 6 does not affect the...
- 14 The amendment made by paragraph 9 has effect in relation...
- 15 In paragraphs 10 to 14 “the commencement date” means the...

SCHEDULE 15 — Tax relief for scheme payments etc

*Introductory*

- 1 (1) This Schedule provides for the following in respect of...

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*Qualifying payments*

- 2 (1) In this Schedule “qualifying payment” means a payment within...

*Exemption from income tax*

- 3 (1) No liability to income tax arises in respect of...

*Exemptions from capital gains tax*

- 4 (1) A gain accruing on a disposal is not a...

*Relief from inheritance tax*

- 5 (1) This paragraph applies where a qualifying payment is at...

SCHEDULE 16 — Taxation of coronavirus support payments

*Accounting for coronavirus support payments referable to a business*

- 1 (1) This paragraph applies if a person carrying on, or...

*Amounts not referable to activities of a business which is being carried on*

- 2 (1) This paragraph applies if a person who carried on...

*Amounts referable to businesses in certain cases*

- 3 (1) An amount of a coronavirus support payment made under...

*Exemptions, reliefs and deductions*

- 4 (1) An amount of a coronavirus support payment that relates...

*Charge where employment costs deductible by another*

- 5 (1) Income tax is charged on an amount of a...

*Charge where no business carried on*

- 6 (1) Tax is charged on an amount of a coronavirus...

*Modification of the Tax Acts*

- 7 The Treasury may by regulations modify the application of any...

*Charge if person not entitled to coronavirus support payment*

- 8 (1) A recipient of an amount of a coronavirus support...

*Assessments of income tax chargeable under paragraph 8*

- 9 (1) If an officer of Revenue and Customs considers (whether...

*Calculation of income tax liability*

- 10 (1) Section 23 of ITA 2007 (calculation of income tax...

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*Calculation of tax liability: companies chargeable to corporation tax*

- 11 (1) This paragraph applies where a person liable to income...

*Notification of liability under paragraph 8*

- 12 (1) Section 7 of TMA 1970 (notice of liability to...

*Penalty for failure to notify: knowledge of non-entitlement to payment*

- 13 (1) This paragraph applies to a failure of a person...

*Penalties: partnerships*

- 14 (1) This paragraph applies to a failure to notify, under...

*Liability of officers of insolvent companies*

- 15 (1) This paragraph— (a) provides for an individual to be...

**Changes to legislation:**

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