
STATUTORY INSTRUMENTS

2008 No. 568 (C. 20)

REVENUE AND CUSTOMS

The Finance Act 2007, Schedule 24 (Commencement
and Transitional Provisions) Order 2008

Made - - - - 3rd March 2008

The Treasury make the following Order in exercise of the powers conferred by section 97 of the Finance Act 2007⁽¹⁾:

Citation and interpretation

1.—(1) This Order may be cited as the Finance Act 2007, Schedule 24 (Commencement and Transitional Provisions) Order 2008.

(2) In this Order “Schedule 24” means Schedule 24 to the Finance Act 2007 and a reference to a paragraph (without more) is a reference to that paragraph of Schedule 24.

(3) In this Order—

“HMRC” means Her Majesty’s Revenue and Customs⁽²⁾;

“relevant documents” means documents given to HMRC of a kind listed in the Table in paragraph 1;

“relevant tax” means any tax mentioned in the Table in paragraph 1; and

“tax period” has the meaning given in paragraph 28(g).

Appointed days

2. The days appointed for the coming into force of Schedule 24 are —

(a) 1st April 2008 in relation to relevant documents relating to tax periods commencing on or after that date;

(b) 1st April 2008 in relation to assessments falling within paragraph 2 for tax periods commencing on or after that date;

⁽¹⁾ 2007 c. 11.

⁽²⁾ Section 4(1) of the Commissioners for Revenue and Customs Act 2005 (c. 11) provides that the Commissioners and the officers of Revenue and Customs may together be referred to as Her Majesty’s Revenue and Customs.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- (c) 1st July 2008 in relation to relevant documents relating to claims under the Thirteenth Council Directive⁽³⁾ (arrangements for the refund of value added tax to persons not established in Community territory) for years commencing on or after that date;
- (d) 1st January 2009 in relation to relevant documents relating to claims under the Eighth Council Directive⁽⁴⁾ (arrangements for the refund of value added tax to taxable persons not established in the territory of the country) for years commencing on or after that date;
- (e) 1st April 2009 in relation to documents relating to all other claims for repayments of relevant tax made on or after 1st April 2009 which are not related to a tax period; and
- (f) in any other case, 1st April 2009 in relation to documents given where a person's liability to pay relevant tax arises on or after that date.

Transitional provision

3. Notwithstanding article 2, no person shall be liable to a penalty under Schedule 24 in respect of any tax period for which a return is required to be made before 1st April 2009.

Saving

4. Notwithstanding paragraph 29(d) (consequential amendments), sections 60 and 61 of the Value Added Tax Act 1994⁽⁵⁾ (VAT evasion) shall continue to have effect with respect to conduct involving dishonesty which does not relate to an inaccuracy in a document or a failure to notify HMRC of an under-assessment by HMRC.

*Steve McCabe
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Two of the Lords Commissioners of Her
Majesty's Treasury

3rd March 2008

(3) 86/560/EEC. OJ L326, 21.11.86, P 40.

(4) 79/1072/EEC. OJ L331, 27.12. 1979, P 11.

(5) 1994 c. 23.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order brings into force the provisions of Schedule 24 to the Finance Act 2007 (“Schedule 24”). It also contains savings provisions. Schedule 24 introduced a single new penalty regime for incorrect returns for income tax, corporation tax, PAYE and VAT where the penalty is determined by the amount of tax understated, the nature of the behaviour giving rise to the understatement and the extent of disclosure by the taxpayer.

Article 2 brings into force on the dates specified, and in relation to the tax periods, claims or other liabilities to pay tax specified, those provisions of Schedule 24 which relate to errors in documents, and to failure to notify HMRC of under-assessments of tax.

Article 3 provides that Schedule 24 shall not apply in relation to any tax period for which a return is required to be made before 1st April 2009.

Article 4 preserves the existing penalty provisions for VAT evasion involving dishonest conduct which does not relate to inaccurate returns to, or under-assessments by, HMRC.