
EXPLANATORY NOTE

(This note is not part of the Order)

This Order is made in exercise of the powers conferred in section 135 of the Finance Act 2008 (c. 9) (“the Act”). That section provides that, in the case of a disaster or emergency specified by the Treasury as having national significance, no interest or surcharges will be charged where the Commissioners for Her Majesty’s Revenue and Customs have agreed to defer payments in respect of specified liabilities under an enactment or contract settlement.

Section 135(4) of the Act defines the period over which relief is extended. Section 135(10) of the Act provides authority for the retrospective effect of this Order.

Article 2 specifies that the incidence of coronavirus in the United Kingdom is an emergency which qualifies for relief under section 135 of the Act.

Article 3 specifies the liabilities to which the relief applies are those set out by Article 4 and Article 5. Article 4 deals with income tax liabilities and Class 4 National Insurance contributions liabilities. Article 5 deals with VAT liabilities.

Article 6 specifies that the commencement date for the relief period is 20th March 2020.

A Tax Information and Impact Note covering this instrument was published on 25th June 2020 alongside the amendment to section 135 of the Finance Act 2008 and is available on the website at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/895358/Amending_section_135_.pdf. It remains an accurate summary of the impacts that apply to this instrument.