



# Tax Collection and Management (Wales) Act 2016

2016 anaw 6

## PART 5

### PENALTIES

#### CHAPTER 2

##### PENALTIES FOR FAILURE TO MAKE RETURNS OR PAY TAX

###### *Penalty for failure to pay tax*

#### **122 Penalty for failure to pay tax**

- (1) A person is liable to a penalty if the person fails to pay, on or before the penalty date, an amount of devolved tax which is payable by that person.
- (2) The “penalty date”, in relation to an amount of devolved tax which is payable, is the date specified in an enactment as the date on or before which the amount must be paid.
- (3) The penalty under this section is the percentage of the amount of unpaid devolved tax which is specified by an enactment as the amount of the penalty in the relevant circumstances.

#### **123 Suspension of penalty for failure to pay tax during currency of agreement for deferred payment**

- (1) This section applies if—
  - (a) a person by whom an amount of devolved tax is payable has made a request to WRA, on or before the penalty date, to defer payment of the amount, and

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*Status: This is the original version (as it was originally enacted).*

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- (b) WRA has agreed, on or before that date, that payment of the amount may be deferred for a period (“the deferral period”).
- (2) If the person would (apart from this subsection) become liable, between the day on which the person makes the request and the end of the deferral period, to a penalty for failing to pay the amount, the person is not liable to that penalty.
- (3) But if—
  - (a) the person breaks the agreement, and
  - (b) WRA issues a notice to the person specifying any penalty to which the person would be liable apart from subsection (2),the person becomes liable to that penalty on the day on which the notice is issued.
- (4) A person breaks an agreement if—
  - (a) the person fails to pay the amount in question when the deferral period ends, or
  - (b) the deferral is subject to a condition (including a condition that part of the amount be paid during the deferral period) and the person fails to comply with it.
- (5) If the agreement mentioned in subsection (1) is varied at any time by a further agreement between the person and WRA, this section applies from that time to the agreement as varied.