



Tax Collection and Management (Wales) Act 2016

2016 anaw 6

PART 5

PENALTIES

CHAPTER 4

PENALTIES RELATING TO RECORD-KEEPING AND REIMBURSEMENT ARRANGEMENTS

Penalty for failure to keep and preserve records in connection with tax returns or claims

143 Penalty for failure to keep and preserve records

- (1) A person who fails to comply with section 38 [^{F1}, 38A] or 69 is liable to a penalty not exceeding £3,000.
- (2) But no penalty is incurred if WRA is satisfied that any facts that it reasonably requires to be proved, and which would have been proved by the records, are proved by other documentary evidence provided to it.

Textual Amendments

- F1** Word in s. 143(1) inserted (1.4.2018) by [Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(anaw 1\)](#), s. 81(2)(3), **Sch. 23 para. 53**; S.I. 2018/34, art. 3

Modifications etc. (not altering text)

- C1** Ss. 143-145 applied (1.4.2018) by [The Tax Collection and Management \(Reimbursement Arrangements\) \(Wales\) Regulations 2018 \(S.I. 2018/88\)](#), regs. 1(2), **8(1)**

Changes to legislation: There are currently no known outstanding effects for the Tax Collection and Management (Wales) Act 2016, Cross Heading: Penalty for failure to keep and preserve records in connection with tax returns or claims. (See end of Document for details)

Commencement Information

I1 S. 143 in force at 1.4.2018 by [S.I. 2018/33, art. 3](#)

144 Reasonable excuse for failure to keep and preserve records

- (1) If a person who fails to comply with section 38 [^{F2}, 38A] or 69 satisfies WRA or (on appeal) the tribunal that there is a reasonable excuse for the failure, there is no liability to a penalty under section 143 in relation to the failure.
- (2) For the purposes of subsection (1)—
- (a) an insufficiency of funds is not a reasonable excuse unless attributable to events outside the person's control;
 - (b) where the person relies on another person to do anything, that is not a reasonable excuse unless the first person took reasonable care to avoid the failure;
 - (c) where the person had a reasonable excuse for the failure but the excuse has ceased, the person is to be treated as having continued to have the excuse if the failure is remedied without unreasonable delay after the excuse ceased.

Textual Amendments

F2 Word in s. 144(1) inserted (1.4.2018) by [Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(anaw 1\), s. 81\(2\)\(3\), Sch. 23 para. 54; S.I. 2018/34, art. 3](#)

Modifications etc. (not altering text)

C1 Ss. 143-145 applied (1.4.2018) by [The Tax Collection and Management \(Reimbursement Arrangements\) \(Wales\) Regulations 2018 \(S.I. 2018/88\), regs. 1\(2\), 8\(1\)](#)

Commencement Information

I2 S. 144 in force at 1.4.2018 by [S.I. 2018/33, art. 3](#)

145 Assessment of penalties under section 143

- (1) Where a person becomes liable to a penalty under section 143, WRA must—
- (a) assess the penalty, and
 - (b) issue notice to the person of the penalty assessed.
- (2) An assessment of a penalty under section 143 must be made within the period of 12 months beginning with the day on which WRA first believed the person to have failed to comply with section 38 [^{F3}, 38A] or 69.

Textual Amendments

F3 Word in s. 145(2) inserted (1.4.2018) by [Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(anaw 1\), s. 81\(2\)\(3\), Sch. 23 para. 55; S.I. 2018/34, art. 3](#)

Modifications etc. (not altering text)

C1 Ss. 143-145 applied (1.4.2018) by [The Tax Collection and Management \(Reimbursement Arrangements\) \(Wales\) Regulations 2018 \(S.I. 2018/88\), regs. 1\(2\), 8\(1\)](#)

PART 5 – PENALTIES

CHAPTER 4 – PENALTIES RELATING TO RECORD-KEEPING AND REIMBURSEMENT

ARRANGEMENTS

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Changes to legislation: There are currently no known outstanding effects for the Tax Collection and Management (Wales) Act 2016, Cross Heading: Penalty for failure to keep and preserve records in connection with tax returns or claims. (See end of Document for details)

Commencement Information

I3 S. 145 in force at 1.4.2018 by [S.I. 2018/33](#), **art. 3**

Changes to legislation:

There are currently no known outstanding effects for the Tax Collection and Management (Wales) Act 2016, Cross Heading: Penalty for failure to keep and preserve records in connection with tax returns or claims.