



Tax Collection and Management (Wales) Act 2016

2016 anaw 6

PART 5

PENALTIES

CHAPTER 3

PENALTIES FOR INACCURACIES

Penalty for failure to notify under-assessment etc.

133 Penalty for failure to notify under-assessment or under-determination

- (1) A person is liable to a penalty where—
- (a) a WRA assessment understates the person's liability to a devolved tax, and
 - (b) the person has failed to take reasonable steps to notify WRA, within the period of 30 days beginning with the day on which the notice of assessment is issued, that it is an under-assessment.

[^{F1}(1A) A person is also liable to a penalty where—

- (a) a WRA assessment under section 55A understates the amount that the person is required to pay to WRA, and
- (b) the person has failed to take reasonable steps to notify WRA, within the period of 30 days beginning with the day on which the notice of assessment is issued, that it is an under-assessment.]

(2) In deciding what steps (if any) were reasonable, WRA must consider whether the person knew, or should have known, about the under-assessment.

(3) The penalty payable under this section is [^{F2}an amount not exceeding] 30% of the potential lost revenue.

Changes to legislation: There are currently no known outstanding effects for the Tax Collection and Management (Wales) Act 2016, Section 133. (See end of Document for details)

(4) In this section—

- (a) “WRA assessment” includes a determination made by WRA under section 52, and
- (b) accordingly, references in this Chapter to an under-assessment include references to an under-determination.

Textual Amendments

- F1** S. 133(1A) inserted (1.4.2018) by [The Landfill Disposals Tax \(Administration\) \(Wales\) Regulations 2018 \(S.I. 2018/101\)](#), reg. 1(2), **Sch. para. 31**
- F2** Words in s. 133(3) 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. 50**; S.I. 2018/34, art. 3

Commencement Information

- I1** S. 133 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, Section 133.