



# Finance Act 1988

## 1988 CHAPTER 39

### PART III

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

#### CHAPTER V

#### MANAGEMENT

#### *Assessment*

#### <sup>F1</sup>119 Current year assessments.

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#### **Textual Amendments**

**F1** S. 119 repealed (31.1.2013) by [Statute Law \(Repeals\) Act 2013 \(c. 2\)](#), s. 3(2), [Sch. 1 Pt. 10](#) Group 1

#### *Returns of income and gains*

#### <sup>F2</sup>120 Notice of liability to income tax.

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#### **Textual Amendments**

**F2** S. 120 repealed (31.1.2013) by [Statute Law \(Repeals\) Act 2013 \(c. 2\)](#), s. 3(2), [Sch. 1 Pt. 10](#) Group 1

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1988, chapter V. (See end of Document for details)*

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**F<sup>3</sup>121** .....

**Textual Amendments**

**F3** S. 121 repealed (31.7.1998 with effect as mentioned in s. 117 of the repealing Act) by 1998 c. 36, s. 165, **Sch. 27 Pt. III(28)**, note

**F<sup>4</sup>122** **Notice of liability to capital gains tax.**

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**Textual Amendments**

**F4** S. 122 repealed (31.1.2013) by Statute Law (Repeals) Act 2013 (c. 2), s. 3(2), **Sch. 1 Pt. 10** Group 1

*Other returns and information*

**123** **Three year time limit.**

(1) At the end of section 13 of the <sup>M1</sup>Taxes Management Act 1970 (returns by persons in receipt of taxable income belonging to others) there shall be added—

“(3) A notice under this section shall not require information as to any money, value, profits or gains received in a year of assessment ending more than three years before the date of the giving of the notice.”

(2) In section 17(1) of that Act (interest paid or credited by banks etc. without deduction of income tax) after the words “during a year” there shall be inserted the words “ of assessment ”.

(3) In section 18 of that Act (particulars of interest paid without deduction of income tax) after subsection (3) there shall be inserted—

“(3A) A notice under this section shall not require information with respect to interest paid in a year of assessment ending more than three years before the date of the giving of the notice.”

(4) At the end of section 19 of that Act (information for the purposes of Schedule A etc.) there shall be added—

“(4) A notice under this section shall not require information with respect to—

- (a) the terms applying to the lease, occupation or use of the land, or
- (b) consideration given, or
- (c) payments arising,

in a year of assessment ending more than three years before the date of the giving of the notice.”

(5) This section has effect with respect to notices given after the passing of this Act.

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**Marginal Citations**

M1 1970 c. 9.

**124 Returns of fees, commissions etc.**

(1) At the end of section 16 of the Taxes Management Act 1970 (fees, commissions etc.) there shall be added—

“(8) In subsection (2) above references to a body of persons include references to any department of the Crown, any public or local authority and any other public body.”

(2) This section has effect with respect to payments made in the year 1988-89 or any subsequent year of assessment.

**125 Other payments and licences etc.**

After section 18 of the Taxes Management Act 1970 there shall be inserted—

**“18A Other payments and licences etc.**

(1) Any person by whom any payment out of public funds is made by way of grant or subsidy shall, on being so required by a notice given to him by an inspector, furnish to the inspector, within the time limited by the notice—

- (a) the name and address of the person to whom the payment has been made or on whose behalf the payment has been received, and
- (b) the amount of the payment so made or received,

and any person who receives any such payment on behalf of another person shall on being so required furnish to the inspector the name and address of the person on whose behalf the payment has been received, and its amount.

(2) Any person by whom licences or approvals are issued or a register is maintained shall, on being so required by a notice given to him by an inspector, furnish to the inspector, within the time limited by the notice—

- (a) the name and address of any person who is or has been the holder of a licence or approval issued by the first-mentioned person, or to whom an entry in that register relates or related; and
- (b) particulars of the licence or entry.

(3) The persons to whom this section applies include any department of the Crown, any public or local authority and any other public body.

(4) A notice is not to be given under this section unless (in the inspector’s reasonable opinion) the information required is or may be relevant to any tax liability to which a person is or may be subject, or the amount of any such liability.

(5) A notice under this section shall not require information with respect to a payment which was made, or to a licence, approval or entry which ceased to subsist—

- (a) before 6th April 1988; or

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(b) in a year of assessment ending more than three years before the date of the giving of the notice.

(6) For the purposes of this section a payment is a payment out of public funds if it is provided directly or indirectly by the Crown, by any Government, public or local authority whether in the United Kingdom or elsewhere or by any Community institution.”

*Production of accounts, books etc.*

**F<sup>5</sup>126 Production of documents relating to a person’s tax liability.**

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**Textual Amendments**

**F5** S. 126 omitted (1.4.2009) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 113(2), [Sch. 36 para. 92\(a\)](#) (with [Sch. 36 para. 38](#)); S.I. 2009/404, art. 2 (with art. 12)

**F<sup>6</sup>127 Production of computer records etc.**

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**Textual Amendments**

**F6** S. 127 omitted (21.7.2008) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 114(8)(b)

*Interest and penalties*

**F<sup>7</sup>128 Interest on overdue or overpaid PAYE.**

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**Textual Amendments**

**F7** S. 128 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

**129 Two or more tax-geared penalties in respect of same tax.**

(1) After section 97 of the Taxes Management Act 1970 there shall be inserted—

**“97A Two or more tax-geared penalties in respect of same tax.**

Where two or more penalties—

(a) are incurred by any person and fall to be determined by reference to any income tax or capital gains tax with which he is chargeable for a year of assessment; or

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(b) are incurred by any company and fall to be determined by reference to any corporation tax with which it is chargeable for an accounting period,

each penalty after the first shall be so reduced that the aggregate amount of the penalties, so far as determined by reference to any particular part of the tax, does not exceed whichever is or, but for this section, would be the greater or greatest of them, so far as so determined.”

(2) Section 97A(a) of that Act has effect with respect to the year 1988-89 or any subsequent year of assessment; and section 97A(b) has effect with respect to accounting periods ending after 31st March 1989.

### *Company migration*

#### **<sup>F8</sup>130 Provisions for securing payment by company of outstanding tax.**

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##### **Textual Amendments**

**F8** Ss. 130-132 repealed (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), s. 381(1), Sch. 7 para. 56, **Sch. 10 Pt. 12** (with Sch. 9 paras. 1-9, 22)

#### **<sup>F8</sup>131 Penalties for failure to comply with section 130.**

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##### **Textual Amendments**

**F8** Ss. 130-132 repealed (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), s. 381(1), Sch. 7 para. 56, **Sch. 10 Pt. 12** (with Sch. 9 paras. 1-9, 22)

#### **<sup>F8</sup>132 Liability of other persons for unpaid tax.**

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##### **Textual Amendments**

**F8** Ss. 130-132 repealed (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), s. 381(1), Sch. 7 para. 56, **Sch. 10 Pt. 12** (with Sch. 9 paras. 1-9, 22)

### *Appeals etc.*

#### **<sup>F9</sup>133 Jurisdiction of General Commissioners.**

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*Changes to legislation: There are currently no known outstanding effects  
 for the Finance Act 1988, chapter V. (See end of Document for details)*

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**Textual Amendments**

- F9** Ss. 133-135 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 165**

**<sup>F9F10</sup>134 General Commissioners for Northern Ireland.**

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**Textual Amendments**

- F9** Ss. 133-135 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 165**
- F10** S. 134(1) repealed (1.4.2009) by [Tribunals, Courts and Enforcement Act 2007 \(c. 15\)](#), s. 148, **Sch. 23 Pt. 1**; S.I. 2008/2696, art. 6(c)

**<sup>F9</sup>135 Cases stated in Northern Ireland.**

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**Textual Amendments**

- F9** Ss. 133-135 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 165**

**Changes to legislation:**

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