



Finance Act 2004

2004 CHAPTER 12

PART 7

DISCLOSURE OF TAX AVOIDANCE SCHEMES

315 Penalties

(1) After section 98B of the Taxes Management Act 1970 insert—

“98C Notification under Part 7 of Finance Act 2004

- (1) A person who fails to comply with any of the provisions of Part 7 of the Finance Act 2004 (disclosure of tax avoidance schemes) mentioned in subsection (2) below shall be liable—
- (a) to a penalty not exceeding £5,000, and
 - (b) if the failure continues after a penalty is imposed under paragraph (a) above, to a further penalty or penalties not exceeding £600 for each day on which the failure continues after the day on which the penalty under paragraph (a) was imposed (but excluding any day for which a penalty under this paragraph has already been imposed).
- (2) Those provisions are—
- (a) section 308(1) and (3) (duty of promoter in relation to notifiable proposals and notifiable arrangements),
 - (b) section 309(1) (duty of person dealing with promoter outside United Kingdom),
 - (c) section 310 (duty of parties to notifiable arrangements not involving promoter), or
 - (d) section 312(1) (duty of promoter to notify client of reference number).
- (3) A person who fails to comply with section 313(1) of the Finance Act 2004 (duties of parties to notifiable arrangements to notify Board of reference number, etc.) shall be liable to a penalty of the relevant sum.

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(4) In subsection (3) above “the relevant sum” means—

- (a) in relation to a person not falling within paragraph (b) or (c) below, £100 in respect of each scheme to which the failure relates,
- (b) in relation to a person who has previously failed to comply with section 313(1) on one (and only one) occasion during the period of 36 months ending with the date on which the current failure to comply with that provision began, £500 in respect of each scheme to which the current failure relates (whether or not the same as the scheme to which the previous failure relates), or
- (c) in relation to a person who has previously failed to comply with section 313(1) on two or more occasions during the period of 36 months ending with the date on which the current failure to comply with that provision began, £1,000 in respect of each scheme to which the current failure relates (whether or not the same as the schemes to which any of the previous failures relates).

(5) In subsection (4) above “scheme” means any notifiable arrangements within the meaning of Part 7 of the Finance Act 2004.”

(2) In section 100 of that Act (determination of penalties by officer of Board) at the end of subsection (2) (penalties to which subsection (1) of the section does not apply) insert “, or

(f) section 98C(1)(a) above.”

(3) In section 100C of that Act (penalty proceedings before Commissioners) after subsection (1) insert—

“(1A) In its application to a penalty under section 98C(1)(a) above, subsection (1) above has effect with the omission of the words “General or”.”

Commencement Information

II S. 315 wholly in force at 1.8.2004; s. 315 in force for certain purposes at Royal Assent and otherwise in force at 1.8.2004 see s. 319(1)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 236ZA inserted by [S.I. 2024/357 art. 2\(2\)](#)