



# Finance Act 2021

## CHAPTER 26

### FINANCE ACT 2021

#### PART 1

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

###### *Income tax charge, rates etc*

- 1 Income tax charge for tax year 2021-22
- 2 Main rates of income tax for tax year 2021-22
- 3 Default and savings rates of income tax for tax year 2021-22
- 4 Starting rate limit for savings for tax year 2021-22
- 5 Basic rate limit and personal allowance for future tax years

###### *Corporation tax charge and rates*

- 6 Charge and main rate for financial years 2022 and 2023
- 7 Small profits rate chargeable on companies from 1 April 2023

###### *Rate of diverted profits tax*

- 8 Increase in the rate of diverted profits tax

###### *Capital allowances: super-deductions etc*

- 9 Super-deductions and other temporary first-year allowances
- 10 Further provision about super-deductions etc
- 11 Reduced super-deduction
- 12 Disposal of assets where super-deduction made
- 13 Disposal of assets where SR allowance made
- 14 Counteraction where arrangements are contrived etc

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)

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*Capital allowances: other measures*

- 15 Extension of temporary increase in annual investment allowance
- 16 Meaning of “general decommissioning expenditure”
- 17 Extensions of plant or machinery leases for reasons related to coronavirus

*Reliefs for business*

- 18 Temporary extension of periods to which trade losses may be carried back
- 19 R&D tax credits for SMEs
- 20 Extension of social investment tax relief for further two years

*Employment income*

- 21 Workers' services provided through intermediaries
- 22 Payments on termination of employment
- 23 Cash equivalent benefit of a zero-emissions van
- 24 Enterprise management incentives
- 25 Cycles and cyclist's safety equipment
- 26 Exemption for coronavirus tests
- 27 Optional remuneration arrangements: statutory parental bereavement pay

*Pensions*

- 28 Freezing the standard lifetime allowance
- 29 Collective money purchase benefits

*Construction industry scheme*

- 30 Construction industry scheme

*Coronavirus support payments etc*

- 31 Covid-19 support scheme: working households receiving tax credits
- 32 Self-employment income support scheme
- 33 Deduction where business rates etc repaid

*Exemptions from income tax*

- 34 Repeal of provisions relating to the Interest and Royalties Directive
- 35 Payments made to victims of modern slavery etc

*Miscellaneous corporation tax measures*

- 36 Hybrid and other mismatches
- 37 Relief for losses etc
- 38 Corporate interest restriction: minor amendments
- 39 Northern Ireland Housing Executive

*Capital gains tax*

- 40 Annual exempt amount
- 41 Hold-over relief for foreign-controlled companies

## **PART 2**

### **PLASTIC PACKAGING TAX**

#### *Introductory*

42 Plastic packaging tax

#### *Charging of plastic packaging tax*

43 Charge to plastic packaging tax  
44 Liability to pay plastic packaging tax  
45 Rate  
46 Payment

#### *Interpretation of main terms etc*

47 Chargeable plastic packaging components  
48 Meaning of “plastic packaging component”  
49 Meaning of “plastic” and “recycled plastic”  
50 Time of importation

#### *Deferrals, exemptions and credits*

51 Plastic packaging components intended for export  
52 Exempt plastic packaging components  
53 Tax credits

#### *Registration*

54 The register  
55 Liability to register: producers and importers  
56 Notification of liability and registration  
57 Cancellation of registration  
58 Correction of the register

#### *Secondary liability and joint and several liability notices*

59 Notices imposing secondary or joint and several liability

#### *Administration and enforcement*

60 Measurement of weight etc  
61 Payment, collection, recovery  
62 Reviews and appeals  
63 Records  
64 Information and evidence  
65 Security for tax  
66 Unincorporated bodies  
67 Service

#### *Miscellaneous*

68 Statements for business customers  
69 Tax representatives of non-resident taxpayers  
70 Adjustment of contracts  
71 Groups of companies

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- 72 Prevention of artificial separation of business activities: directions
- 73 Prevention of artificial separation of business activities: effect of directions
- 74 Death, incapacity or insolvency of person carrying on a business: regulations
- 75 Transfer of business as a going concern: regulations
- 76 Isle of Man: import and export of chargeable plastic packaging components

*Offences and penalties*

- 77 Fraudulent evasion
- 78 Misstatements
- 79 Conduct involving evasions or misstatements
- 80 Penalty for contravening relevant requirements
- 81 Criminal proceedings

*General*

- 82 Minor and consequential amendments
- 83 Interpretation
- 84 Regulations
- 85 Commencement etc

**PART 3**

OTHER TAXES

*Inheritance tax*

- 86 Rate bands etc for tax years 2021-22 to 2027-28

*Stamp duty land tax*

- 87 Temporary period for reduced rates on residential property
- 88 Increased rates for non-resident transactions
- 89 Relief from higher rate charge for certain housing co-operatives etc

*Annual tax on enveloped dwellings*

- 90 Relief for certain housing co-operatives
- 91 Repayment to certain housing co-operatives: 2020-21 chargeable period

*Value added tax*

- 92 Extension of temporary 5% reduced rate for hospitality and tourism sectors
- 93 Temporary 12.5% reduced rate for hospitality and tourism sectors
- 94 Extending digital record-keeping for VAT purposes to all businesses
- 95 Distance selling: Northern Ireland
- 96 Distance selling: power to make further provision
- 97 Supply of imported works of art etc
- 98 Continuing effect of principle preventing the abuse of the VAT system
- 99 Deferring VAT payment by reason of the coronavirus emergency
- 100 Refunds to S4C

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*Customs duty*

101 Steel removed to Northern Ireland

*Fuel duties*

102 Restriction of use of rebated diesel and biofuels

*Tobacco products duty*

103 Rates of tobacco products duty

*Vehicle taxes*

104 Rates for light passenger or light goods vehicles, motorcycles etc

105 Rebates where higher rate of duty paid

106 HGV road user levy (extension of suspension)

*Air passenger duty*

107 Rates of air passenger duty from 1 April 2022

*Gaming duty*

108 Amounts of gross gaming yield charged to gaming duty

*Environmental taxes*

109 Rates of climate change levy from 1 April 2022 to 31 March 2023

110 Rates of climate change levy from 1 April 2023

111 Rates of landfill tax

112 Repeal of carbon emissions tax

**PART 4**

MISCELLANEOUS AND FINAL

*Freeports and investment zones*

113 Designation of special tax sites

114 Capital allowances for freeport tax sites

115 Relief from stamp duty land tax for freeport tax sites

*Penalties*

116 Penalties for failure to make returns etc

117 Penalties for failure to pay tax

118 Penalties for failure to make returns etc or pay tax: consequential provision

119 Follower notice penalties

*Interest*

120 Late payment interest and repayment interest: VAT

*Avoidance*

121 Promoters of tax avoidance schemes

122 Disclosure of tax avoidance schemes

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- 123 Penalties for enablers of defeated tax avoidance
- 124 The GAAR and partnerships

*Conditionality*

- 125 Licensing authorities: requirements to give or obtain tax information

*HMRC powers*

- 126 Financial institution notices
- 127 Collection of tax debts
- 128 Miscellaneous amendments of Schedule 36 to FA 2008
- 129 International arrangements for exchanging information on the gig economy
- 130 Unauthorised removal or disposal of seized goods
- 131 Temporary approvals etc pending review or appeal

*Banking*

- 132 Replacement of LIBOR with incremental borrowing rate
- 133 Tax consequences of reform etc of LIBOR and other reference rates
- 134 Powers of the Treasury to amend legislation relating to banks

*Other*

- 135 Interpretation
- 136 Short title

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SCHEDULES

SCHEDULE 1 — Small profits rate for non-ring fence profits

PART 1 — SMALL PROFITS RATE

- 1 CTA 2010 is amended as follows.
- 2 In section 3 (corporation tax rates), for subsection (2) substitute—...
- 3 Before Part 4 insert the following as a new Part...
  - PART 2 — AMENDMENTS OF CHAPTER 3A OF PART 8 OF CTA 2010
- 4 Chapter 3A of Part 8 of CTA 2010 (rates at...
- 5 In section 279A (corporation tax rates on ring fence profits),...
- 6 In section 279B (company with only ring fence profits)—
- 7 (1) Section 279C (company with ring fence profits and other...
- 8 After section 279D insert— The remaining amount (1) In section 279C “the remaining amount” means the amount...
- 9 (1) Section 279E (the lower limit and the upper limit)...
- 10 After section 279E insert— Supplementary Interpretation etc (1) The rules in Part 3A (see sections 18E to...
- 11 Omit sections 279F to 279H (meaning of “related 51% group...

PART 3 — CONSEQUENTIAL AMENDMENTS

*FA 1998*

- 12 In Schedule 18 to FA 1998 (company tax returns, assessments...

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*Corporation Tax (Instalment Payments) Regulations 1998*

- 13 (1) The Corporation Tax (Instalment Payments) Regulations 1998 (interpretation) are...

*FA 2000*

- 14 In Schedule 22 to FA 2000 (tonnage tax), in paragraph...

*CAA 2001*

- 15 CAA 2001 is amended as follows.  
16 (1) Section 99 (long-life assets: the monetary limit) is amended...  
17 In Part 2 of Schedule 1 (defined expressions), omit the...

*CTA 2010*

- 18 CTA 2010 is amended as follows.  
19 In section 1(2) (overview of Act)— (a) for “Parts 4”...  
20 (1) Section 357BN (profits arising from the exploitation of patents...  
21 (1) Section 357BNB (profits arising from the exploitation of patents...  
22 In section 534 (REITs: profits), after subsection (2) insert—  
23 In section 535 (REITs: gains), after subsection (5) insert—  
24 In section 543 (REITs: financing-cost ratio), after subsection (4) insert  
—...  
25 In section 551 (REITs: distribution to holder of excessive rights),...  
26 In section 564 (REITs: breach of condition as to distribution...  
27 In section 614 (open-ended investment companies: applicable  
corporation tax rate),...  
28 In section 618 (authorised unit trusts: applicable corporation tax rate),...  
29 For section 627 substitute— Meaning of “main rate of corporation...  
30 In section 1119 (Corporation Tax Acts definitions), omit the definition...  
31 In Schedule 4 (index of defined expressions)—

*FA 2012*

- 32 In section 102 of FA 2012 (policyholders' rate of tax...  
PART 4 — COMMENCEMENT ETC

*Commencement*

- 33 The amendments made by paragraphs 13, 16, 17, 20 and...  
34 (1) The other amendments made by this Schedule have effect...

*Power to make further consequential amendments*

- 35 (1) The Treasury may by regulations make such provision as...

SCHEDULE 2 — Temporary extension of periods to which trade losses may be  
carried back

PART 1 — INCOME TAX

*Relief for trade losses made in tax year 2020-21*

- 1 (1) A person who has made a loss in a...

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*Relief for trade losses made in tax year 2021-22*

- 2 (1) A person who has made a loss in a...

*Further provision about relief under paragraph 1 or 2*

- 3 (1) The following sections of ITA 2007 apply in relation...  
PART 2 — CORPORATION TAX

*Relief for trade losses incurred in accounting periods ending in financial year 2020 or 2021*

- 4 (1) Sections 37(3)(b) and 38(1) and (3) of CTA 2010...

*Cap on claims by company that is not a member of a 2020 group or 2021 group*

- 5 (1) A 2020 claim may be made by a company...

*Non-de minimis claims to be made after end of financial year*

- 6 (1) A non-de minimis 2020 claim may not be made...

*Non-de minimis claims to be made in company tax return*

- 7 (1) A non-de minimis claim must be made in the...

*Meaning of “de minimis claim” etc*

- 8 (1) For the purposes of this Part of this Schedule,...

*Cap on non-de minimis claims by company that is a member of a 2020 group or 2021 group*

- 9 (1) A non-de minimis 2020 claim may be made by...

*Non-de minimis claims by group company to conform with statement*

- 10 (1) A non-de minimis 2020 claim may be made by...

*Loss carry-back allocation statements*

- 11 (1) The Commissioners must by regulations make provision—

*Anti-avoidance*

- 12 (1) A company may not make a 2020 claim if—...

*Interpretation*

- 13 (1) In this Part of this Schedule— “2020 claim” means...

*Power to modify*

- 14 (1) The Commissioners may by regulations amend or otherwise modify...

SCHEDULE 3 — R&D tax credits for SMEs

*Introductory*

- 1 Chapter 2 of Part 13 of CTA 2009 (relief for...



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*Cap on amount of tax credit*

- 2 (1) Section 1058 (amount of tax credit) is amended as...
- 3 After section 1058 insert— Relevant expenditure on workers (1) For the purposes of section 1058, the amount of...

*Commencement*

- 4 The amendments made by this Schedule have effect in relation...

SCHEDULE 4 — R&D tax credits for SMEs: Northern Ireland companies

*Cap on amount of tax credit*

- 1 In Chapter 9 of Part 8B of CTA 2010 (research...
- 2 For subsection (2) substitute— (2) The amount of the R&D...
- 3 For subsection (3) substitute— (3) The amount of the R&D...
- 4 In subsection (4), for the words from “sum of” to...
- 5 After subsection (4) insert— (4A) Subsection (4)(b) does not apply...

*Commencement*

- 6 Section 5(4) to (6) of CT(NI)A 2015 (commencement) has effect...

SCHEDULE 5 — Pension schemes: collective money purchase benefits

PART 1 — AMENDMENTS OF PART 4 OF FA 2004

- 1 Part 4 of FA 2004 is amended in accordance with...
- 2 (1) Section 152 (meaning of “arrangement”) is amended as follows....
- 3 (1) In section 165 (pension rules), subsection (1) is amended...
- 4 (1) In section 167 (pension death benefit rules), subsection (1)...
- 5 (1) Section 172C (allocation of unallocated employer contributions) is amended...
- 6 (1) Section 182 (unauthorised borrowing: money purchase arrangements) is amended...
- 7 (1) Section 183 (effect of unauthorised borrowing: money purchase arrangements)...
- 8 (1) Section 184 (unauthorised borrowing: other arrangements) is amended as...
- 9 (1) Section 212 (valuation of uncrystallised rights for purposes of...
- 10 (1) Section 216 (benefit crystallisation events and amounts crystallised) is...
- 11 (1) Section 223 (non-residence: other arrangements) is amended as follows....
- 12 (1) Section 226 (overseas scheme transfers: other arrangements) is amended...
- 13 (1) Section 227B (the alternative chargeable amount) is amended as...
- 14 (1) Section 227C (meaning of “money-purchase input sub-total”) is amended...
- 15 (1) Section 227D (pension input amounts in respect of certain...
- 16 (1) Section 227F (pension input periods in which rights are...
- 17 (1) Section 227G (when pension rights are first flexibly accessed)...
- 18 (1) Section 237 (hybrid arrangements) is amended as follows.
- 19 In section 280 (abbreviations and general index), in the table...
- 20 (1) Schedule 28 (authorised pensions: supplementary) is amended as follows....

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- 21 (1) Schedule 29 (authorised lump sums - supplementary) is amended...
- 22 (1) Schedule 32 (benefit crystallisation events - supplementary) is amended...
- 23 (1) Schedule 36 (transitional provision and savings) is amended as...
- 24 (1) In the Registered Pension Schemes (Transfer of Sums and...  
PART 2 — COMMENCEMENT
- 25 (1) The amendments made by this Schedule come into force...

#### SCHEDULE 6 — Construction industry scheme: amendments

##### *Introductory*

- 1 Chapter 3 of Part 3 of FA 2004 (construction industry...

##### *Contractors*

- 2 (1) Section 59 of FA 2004 (contractors) is amended as...
- 3 (1) This paragraph applies where— (a) the condition in section...

##### *Deductions for materials*

- 4 In section 61(1) of FA 2004 (deductions on account of...

##### *Grace period*

- 5 In section 61 of FA 2004 (deductions on account of...

##### *Restrictions on set-off*

- 6 (1) Section 62 of FA 2004 (treatment of sums deducted)...

##### *Penalties*

- 7 For section 72 of FA 2004 (penalties) substitute— Penalties (1) This section applies in a case within subsection (2),...

##### *Commencement*

- 8 (1) The amendments made by this Schedule have effect for...

#### SCHEDULE 7 — Hybrid and other mismatches

##### PART 1 — MEANING OF “TAX”

- 1 After section 259B(3) of TIOPA 2010 insert—  
PART 2 — CHAPTER 3 MISMATCHES: RELEVANT DEBT RELIEF CIRCUMSTANCES
- 2 Part 6A of TIOPA is amended as follows.
- 3 In section 259CB (hybrid or otherwise impermissible deduction/non-inclusion mismatches and...
- 4 In section 259CC (interpretation of section 259CB), after subsection (3)...
- 5 After section 259NEA insert— Relevant debt relief circumstances  
Relevant debt...

##### PART 3 — CHAPTER 3 MISMATCHES: INVESTMENT TRUSTS

- 6 Chapter 3 of Part 6A of TIOPA is amended as...
- 7 In section 259CB (hybrid or otherwise impermissible deduction/non-inclusion mismatches and...

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- 8 In section 259CC (interpretation of section 259CB), after subsection (3A)...  
PART 4 — DEEMED DUAL INCLUSION INCOME
- 9 Part 6A of TIOPA 2010 (hybrid and other mismatches) is...
- 10 (1) Chapter 5 (hybrid payer deduction/non-inclusion mismatches) is amended as...
- 11 (1) Chapter 6 (deduction/non-inclusion mismatches relating to transfers by permanent...
- 12 (1) Chapter 9 (hybrid entity double deduction mismatches) is amended...
- 13 (1) Chapter 10 (dual territory double deduction cases) is amended...  
PART 5 — DEEMED DUAL INCLUSION INCOME: ANTI-AVOIDANCE
- 14 In Chapter 13 of Part 6A of TIOPA 2010 (hybrid...  
PART 6 — ALLOCATION OF DUAL INCLUSION INCOME WITHIN GROUP
- 15 (1) Part 6A of TIOPA 2010 is amended as follows....
- 16 In Schedule 18 to FA 1998 (company tax returns, assessments...  
PART 7 — FINANCING COST OF LOAN CAPITAL
- 17 (1) Chapter 6 of Part 6A of TIOPA 2010 (hybrid...  
PART 8 — CHAPTERS 9 AND 10: CARRY FORWARD OF ILLEGITIMATE OVERSEAS DEDUCTION
- 18 (1) Part 6A of TIOPA is amended as follows.  
PART 9 — IMPORTED MISMATCHES
- 19 Chapter 11 of Part 6A of TIOPA (imported mismatches) is...
- 20 In section 259K (overview of chapter), after subsection (4A) insert—...
- 21 (1) Section 259KA (circumstances in which Chapter) is amended as...
- 22 In section 259KC(2A), at the end insert “ and section...
- 23 After section 259KD insert— Limit on reduction under section 259KC...  
PART 10 — MEANING OF “ACT TOGETHER”
- 24 (1) Section 259ND of TIOPA 2010 (meaning of “50% investment”...  
PART 11 — EXEMPT INVESTORS IN HYBRID ENTITIES
- 25 Part 6A of TIOPA 2010 is amended as follows.
- 26 In section 259BC (the basic rules), after subsection (8) insert—...
- 27 (1) Section 259EB (hybrid payer deduction/non-inclusion mismatches and their extent)...
- 28 In section 259GB (hybrid payee deduction/non-inclusion mismatches and their extent),...
- 29 After section 259ND insert— Qualifying institutional investors etc  
Meaning of...  
PART 12 — INTERACTION WITH PART 4 OF TIOPA 2010
- 30 TIOPA 2010 is amended as follows.
- 31 In Part 4 (transfer pricing), after section 192 insert— Provision...
- 32 In Chapter 11 of Part 6A (imported mismatches), in section...
- 33 After section 259KE (as inserted by paragraph 23) insert— Provision...  
PART 13 — SECURITISATION COMPANIES
- 34 After section 259NE of TIOPA 2010 insert— Securitisation companies  
Securitisation...  
PART 14 — TRANSPARENT FUNDS
- 35 (1) Part 6A of TIOPA 2010 is amended as follows....  
PART 15 — COMMENCEMENT
- 36 Part 6A of TIOPA 2010 has effect, and is deemed...
- 37 The amendments made by Parts 1, 4, 5, 8, 9,...
- 38 (1) For the purposes of paragraph 37, where there is...
- 39 (1) Notwithstanding paragraph 37, a taxpayer may make an election...

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- 40 (1) Part 6 of this Schedule (allocation of dual inclusion...

SCHEDULE 8 — Relief from corporation tax for losses and other amounts

PART 1 — ALLOCATION OF DEDUCTIONS ALLOWANCE OF FORMER GROUPS

- 1 Part 7ZA of CTA 2010 (restrictions on deductions for carried-forward...  
2 After section 269ZS (group deductions allowance and the nominated  
company)...  
3 After section 269ZV (group allowance allocation statement:  
requirements and effects)...

PART 2 — OTHER AMENDMENTS OF CTA 2010

*Amendments of section 137 of CTA 2010*

- 4 In section 137 of CTA 2010 (deductions from total profits...

*Amendments of Part 5A of CTA 2010*

- 5 Part 5A of CTA 2010 (group relief for carried-forward losses)...  
6 In section 188BE (restriction on surrendering losses etc where  
surrendering...  
7 (1) Section 188DD (claimant company's relevant maximum for  
overlapping period)...

*Amendments of Part 7ZA of CTA 2010*

- 8 Part 7ZA of CTA 2010 is amended as follows.  
9 In section 269ZF(3) (steps for determining a company's qualifying  
trading...  
10 In section 269ZFA (“relevant profits” for purposes of section 269ZD),...  
11 (1) Section 269ZT (group allowance allocation statement: submission)  
is amended...  
12 In section 269ZV(5) (maximum amount of group deductions allowance  
that...

*Amendments of Chapter 7 of Part 14 of CTA 2010*

- 13 Chapter 7 of Part 14 of CTA 2010 (meaning of...  
14 In section 719(4A) (certain acquisitions giving rise to a change...  
15 In section 721(4) (things other than ordinary share capital that...  
PART 3 — COMMENCEMENT AND TRANSITIONAL PROVISION

*Commencement*

- 16 (1) The amendments made by paragraphs 2 and 3 have...  
17 The amendments made by paragraphs 4, 6 and 11 have...  
18 The amendments made by paragraph 7 have effect as if...  
19 The amendments made by paragraphs 9 and 10 are to...  
20 The amendments made by paragraph 12 have effect in relation...  
21 The amendments made by paragraphs 14 and 15 have effect...

*Transitional provision*

- 22 (1) This paragraph applies where— (a) section 269ZSA of CTA...  
23 (1) This paragraph applies where, in a case to which...

SCHEDULE 9 — Plastic packaging tax: secondary liability and assessment notices  
and joint and several liability notices

PART 1 — SECONDARY LIABILITY AND ASSESSMENT NOTICES

*Effect of secondary liability and assessment notice*

- 1 A secondary liability and assessment notice given to a person...

*Test for giving a secondary liability and assessment notice*

- 2 (1) The Commissioners may give a secondary liability and assessment...

*Content of secondary liability and assessment notice*

- 3 (1) A secondary liability and assessment notice must—

*Copy of notice to be given to P*

- 4 When the Commissioners give a secondary liability and assessment  
notice...

*Application to revoke or reduce amount*

- 5 (1) R may apply to the Commissioners to—

*Limitation on secondary liability*

- 6 (1) The Commissioners may not give a secondary liability and...

*Reduction of amount where P's liability is reduced*

- 7 (1) Where the amount which P is liable to pay...

*No double payment*

- 8 (1) R may not be required to pay any amount...

PART 2 — JOINT AND SEVERAL LIABILITY NOTICES

*Effect of joint and several liability notice*

- 9 A joint and several liability notice given to a person...

*Test for giving joint and several liability notice*

- 10 (1) The Commissioners may give a joint and several liability...

*Content of joint and several liability notice*

- 11 A joint and several liability notice must—

*Copy of notice to be given to P*

- 12 When the Commissioners give a joint and several liability notice...

*Revocation*

- 13 (1) After being given a joint and several liability notice...

- 14 (1) P may apply to the Commissioners to revoke a...

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- 15 (1) The Commissioners may by regulations make further provision about—...

*Assessments of liability*

- 16 (1) Where P is liable to pay an amount of...

*Adjustments*

- 17 (1) Where an assessment to P is withdrawn or reduced,...

*Limitation on assessments*

- 18 R may not be notified of any assessment under paragraph...

*No double payment*

- 19 R may not be required to pay plastic packaging tax...

PART 3 — APPLICATION OF SCHEDULE 10

- 20 (1) Schedule 10 applies with any necessary modifications, and subject...

PART 4 — INTERPRETATION

*Interpretation: related businesses*

- 21 In this Schedule— (a) “related business” means a business that...

*Interpretation: general*

- 22 (1) In this Schedule— (a) references to “R” and “P”...

SCHEDULE 10 — Plastic packaging tax: recovery and overpayments

PART 1 — RECOVERY

*Recovery as a debt due*

- 1 Plastic packaging tax is recoverable as a debt due to...

*Assessments of amounts of plastic packaging tax due*

- 2 (1) Sub-paragraph (2) applies where it appears to the Commissioners —...

- 3 (1) Sub-paragraph (2) applies where— (a) the Commissioners have made...

*Supplementary assessments*

- 4 (1) Sub-paragraph (2) applies where— (a) an assessment has been...

*Further provision about assessments under paragraphs 2 and 4*

- 5 (1) An amount assessed and notified to a person under...

*Time limits for assessments*

- 6 (1) An assessment under paragraph 2 or 4 may not...

PART 2 — REPAYMENTS

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)

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*Repayments of overpaid tax*

- 7 (1) This paragraph applies where a person (P) has paid...

*Supplementary provision about repayment etc*

- 8 (1) The Commissioners are not liable, on any claim for...  
9 (1) This paragraph applies where— (a) an amount has been...

*Reimbursement arrangements*

- 10 (1) The Commissioners may by regulations make provision for reimbursement...

*Assessment for excessive repayment*

- 11 (1) Sub-paragraph (3) applies where— (a) an amount has been...

*Supplementary assessments*

- 12 (1) Sub-paragraph (2) applies where— (a) an assessment has been...

*Further provision about assessments under paragraphs 11 and 12*

- 13 (1) Where an amount has been assessed and notified to...

*Time limit for assessments*

- 14 An assessment under paragraph 11 or 12 may not be...

SCHEDULE 11 — Plastic packaging tax: reviews and appeals  
PART 1 — APPEALABLE DECISIONS ETC

*Appealable decisions etc*

- 1 (1) A person may appeal against a decision of the...  
2 In Parts 2 and 3 of this Schedule, references to...  
PART 2 — REVIEWS

*Offer of review*

- 3 (1) HMRC must offer a person (P) a review of...

*Right to require review*

- 4 (1) Any person (other than P) who has the right...

*Review by HMRC*

- 5 (1) HMRC must review a decision if—

*Extensions of time for requiring review*

- 6 (1) If under paragraph 3 HMRC have offered P a...

*Review out of time*

- 7 (1) This paragraph applies if— (a) HMRC have offered a...

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)*

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*Nature of review etc*

- 8 (1) This paragraph applies if HMRC are required to undertake...  
PART 3 — APPEALS

*“Appeal tribunal”*

- 9 In this Schedule “appeal tribunal” means the First-tier Tribunal or...

*Bringing of appeals*

- 10 (1) An appeal under paragraph 1 is to be made...

*Further provision about appeals*

- 11 (1) An appeal relating to a decision that an amount...

*Determinations on appeal*

- 12 (1) Where, on an appeal under paragraph 1—

SCHEDULE 12 — Plastic packaging tax: information and evidence  
PART 1 — INFORMATION

*Power to take samples*

- 1 (1) An authorised person may at any time take such...

*Disclosure of information*

- 2 (1) The Commissioners may disclose information obtained or held by...  
PART 2 — EVIDENCE

*Evidence by certificate*

- 3 (1) A certificate of the Commissioners that—

*Inducements to provide information*

- 4 (1) This paragraph applies to— (a) criminal proceedings against a...

SCHEDULE 13 — Plastic packaging tax: groups of companies

*Bodies eligible for group treatment*

- 1 (1) Two or more bodies are eligible to be treated...  
2 For the purposes of paragraph 1— (a) two or more...

*Application for group treatment*

- 3 (1) Two or more eligible bodies may apply to the...  
4 (1) The Commissioners may only refuse an application under paragraph...

*Applications to modify group treatment*

- 5 (1) Where two or more bodies are treated as members...  
6 (1) The Commissioners may only refuse an application under paragraph...



*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)

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*Applications relating to group treatment*

7 Any application under this Schedule in respect of any bodies...

*Termination of group treatment by the Commissioners*

8 The Commissioners may, by notice given to the members of...

9 Where— (a) a body corporate ceases to be treated as...

10 (1) The time specified in a notice under paragraph 8(a)...

*Notifications relating to group treatment*

11 (1) Where two or more bodies are treated as members...

*Regulations about applications and notifications*

12 (1) The Commissioners may by regulations make provision about—

SCHEDULE 14 — Plastic packaging tax: assessment of penalties under section 80

*Interpretation*

1 In this Schedule “penalty” means a penalty under section 80...

*Assessment etc of penalty*

2 Where a person is liable to a penalty, the Commissioners—...

3 (1) Sub-paragraph (2) applies where— (a) the Commissioners have made...

*Further provision about assessments under paragraphs 2 and 3*

4 (1) An amount assessed and notified to a person under...

5 The fact that an act or omission giving rise to...

6 (1) Sub-paragraph (2) applies where— (a) the Commissioners assess a...

*Assessment etc of daily penalties*

7 (1) Where an assessment is made under paragraph 2 or...

8 (1) Sub-paragraph (2) applies where— (a) an assessment to a...

*Time limits for assessments*

9 (1) An assessment under paragraph 2 or 3 may not...

SCHEDULE 15 — Plastic packaging tax: amendments of other legislation

PART 1 — PENALTIES

*Failure to notify etc*

1 (1) Schedule 41 to FA 2008 (penalties: failure to notify...

*Failure to comply with requirements relating to returns*

2 (1) Schedule 55 to FA 2009 (penalty for failure to...

3 (1) In Schedule 10 to F(No.3)A 2010 (which prospectively amends...

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)

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*Failure to make payment on time*

- 4 In Schedule 56 to FA 2009, in the Table in...
- 5 (1) In Schedule 11 to F(No.3)A 2010 (which prospectively amends...

*Errors in documents*

- 6 In Schedule 24 to FA 2007 (penalties for errors), in...

*Failure to disclose tax avoidance schemes*

- 7 In Schedule 17 to F(No.2)A 2017 (disclosure of tax avoidance...

*Modifications*

- 8 (1) Paragraph 16(1) of Schedule 41 to FA 2008 (penalties:...
- PART 2 — MISCELLANEOUS

*Provisional collection of plastic packaging tax*

- 9 In section 1(1) of the Provisional Collection of Taxes Act...

*Isle of Man*

- 10 In section 1(1) of the Isle of Man Act 1979...

*HMRC powers to obtain information etc*

- 11 (1) Schedule 36 to FA 2008 (powers to obtain information...

*Interest*

- 12 In Schedule 53 to FA 2009 (late payment interest) after...

*Serial tax avoidance*

- 13 In Schedule 18 to FA 2016 (serial tax avoidance), in...

SCHEDULE 16 — SDLT: increased rates for non-resident transactions

*Amendments of FA 2003*

- 1 In FA 2003, Part 4 (stamp duty land tax) is...
- 2 After section 75 insert— Increased rates for non-resident transactions Increased...
- 3 In section 101 (unit trust schemes), in subsection (7), at...
- 4 In section 122 (index of defined expressions), in the table,...
- 5 After Schedule 9 insert— SCHEDULE 9A Increased rates for non-resident...

*Commencement*

- 6 (1) The amendments made by this Schedule have effect in...

SCHEDULE 17 — SDLT (relief from higher rate charge for certain housing co-operatives etc): minor and consequential amendments

- 1 Part 4 of FA 2003 (stamp duty land tax) is...
- 2 (1) Section 81 (further return where relief withdrawn) is amended...

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)

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- 3 (1) Section 81ZA (alternative finance arrangements: return where relief withdrawn)...
- 4 (1) Section 85 (liability for tax) is amended as follows....
- 5 (1) Section 86 (payment of tax) is amended as follows....
- 6 In section 87(3) (interest on unpaid tax)—
- 7 (1) Schedule 4A (stamp duty land tax: higher rate for...
- 8 In Schedule 10 (returns, assessments and other matters), in paragraph...

SCHEDULE 18 — VAT and distance selling: Northern Ireland  
PART 1 — AMENDMENTS TO SCHEDULES 9ZA AND 9ZB TO VATA 1994

*Amendments to Part 9 of Schedule 9ZA to VATA 1994*

- 1 Part 9 of Schedule 9ZA to VATA 1994 (value added...
- 2 (1) Paragraph 48 (liability to be registered) is amended as...
- 3 (1) Paragraph 49 (ceasing to be liable to be registered)...

*Amendments to Part 5 of Schedule 9ZB to VATA 1994*

- 4 In Part 5 of Schedule 9ZB to VATA 1994 (goods...  
PART 2 — AMENDMENTS RELATING TO THE ONE STOP SHOP AND IMPORT  
ONE STOP SHOP SCHEMES
- 5 In section 40A of VATA 1994 (Northern Ireland Protocol) after...
- 6 After Schedule 9ZC to VATA 1994 insert— SCHEDULE 9ZD  
Distance...  
PART 3 — OMISSION OF PART 2 OF SCHEDULE 9ZC TO VATA 1994
- 7 In Schedule 9ZC to VATA 1994 (online sales by overseas...  
PART 4 — AMENDMENTS RELATING TO SUPPLIES OF GOODS BY PERSONS  
ESTABLISHED OUTSIDE THE UNITED KINGDOM THAT ARE  
FACILITATED BY ONLINE MARKETPLACES
- 8 (1) Schedule 9ZC to VATA 1994 is amended as follows....

SCHEDULE 19 — Deferring VAT payment by reason of the coronavirus emergency

*Definitions*

- 1 In this Schedule— “the Commissioners” means the Commissioners for Her...

*Power to agree to further defer payment*

- 2 (1) The Commissioners (having agreed that payment of relevant VAT...

*No surcharge*

- 3 No liability to a surcharge on a relevant VAT sum...

*Penalty*

- 4 (1) A person who is liable to pay a relevant...

*Amount of penalty*

- 5 The amount of the penalty under this Schedule is 5%...

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)*

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*Assessment of penalty*

- 6 (1) Where a person is liable to a penalty under...

*Payment of penalty*

- 7 (1) A penalty under this Schedule must be paid before...

*Recovery of penalty*

- 8 (1) If an amount is assessed and notified to a...

*Reviews and appeals*

- 9 (1) Part 5 of VATA 1994 (reviews and appeals) has...

*Double jeopardy*

- 10 A person is not liable to a penalty under this...

*Notifications etc*

- 11 (1) Section 98 of VATA 1994 (service of notices) applies...

SCHEDULE 20 — Customs duty: steel products

- 1 The Customs (Northern Ireland) (EU Exit) Regulations 2020 (S.I. 2020/1605)...

*Duty on certain steel products imported on or after 3 March 2021*

- 2 (1) After regulation 7 insert— Amount of section 30A(3) duty...

*Duty on certain steel products imported before 3 March 2021*

- 3 (1) Before regulation 8 insert— Amount of section 30A(3) duty...

*Duty on certain steel products removed to Northern Ireland on or after 3 March 2021*

- 4 (1) After regulation 13 insert— Amount of section 40A(1) duty...

*Duty on certain steel products removed to Northern Ireland after IP completion day*

- 5 (1) Before regulation 14 insert— Amount of section 40A(1) duty...

*Interpretation*

- 6 (1) In regulation 3 (interpretation of Part 2), at the...

*Power to extend application of the regulations to other goods*

- 7 Where provision inserted by this Schedule— (a) relates to particular...

SCHEDULE 21 — Restriction of use of rebated diesel and biofuels

- 1 HODA 1979 is amended as follows.  
2 In section 6AA (excise duty on biodiesels), in subsection (2)—...  
3 (1) In section 6AB (excise duty on blends of biodiesel...  
4 In section 6A (fuel substitutes), in subsection (2)—  
5 (1) In section 12 (rebate not allowed on fuel for...  
6 (1) Section 13 (penalties for contravention of section 12) is...

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)*

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- 7 (1) In section 13ZB (restrictions on supply of certain heavy...
- 8 (1) Section 13AA (restrictions on use of rebated kerosene) is...
- 9 In section 13AB (penalty for contravention of section 13AA), in...
- 10 (1) Section 14A (rebate on biodiesel used other than as...
- 11 (1) Section 14B (rebate on bioblend used other than as...
- 12 (1) Section 14C (restrictions on use of rebated diesel and...
- 13 (1) Section 14D (penalties for misuse of rebated biodiesel or...
- 14 Omit section 14E (rebated heavy oil and bioblend: private pleasure...
- 15 Omit section 14F (penalties for contravention of section 14E).
- 16 (1) Section 19 (fuel used in fishing boats etc) is...
- 17 (1) In section 20AAA (mixing of rebated oil), in subsection...
- 18 (1) In section 24 (control of use of duty-free and...
- 19 (1) Section 24A (penalties for misuse of marked oil) is...
- 20 (1) Section 27 (interpretation) is amended as follows.
- 21 Omit Schedule 1 (excepted vehicles).
- 22 Before Schedule 2 insert— SCHEDULE 1A Excepted machines Section  
27(1)...
- 23 (1) Schedule 4 (subjects for regulations under section 24) is...
- 24 (1) In Schedule 5 (sampling), in paragraph 7, after “vehicle”...

#### SCHEDULE 22 — Capital allowances for freeport tax sites

##### PART 1 — FIRST-YEAR ALLOWANCE FOR PLANT AND MACHINERY

- 1 Part 2 of CAA 2001 (plant and machinery allowances) is...
  - 2 In section 39 (first-year allowances available for certain types of...
  - 3 After section 45N insert— Expenditure on plant and machinery for...
  - 4 In section 46(1) (general exclusions applying to first-year qualifying  
expenditure),...
  - 5 In section 52(3) (amount of first-year allowances), in the Table,...
- ##### PART 2 — STRUCTURES AND BUILDINGS ALLOWANCES
- 6 Part 2A of CAA 2001 (structures and buildings allowances) is...
  - 7 (1) Section 270AA (structures and buildings allowances) is amended  
as...
  - 8 In section 270BJ (expenditure on renovation, conversion or incidental  
repairs),...
  - 9 In section 270BK(3) (preparation of sites), for “and 270AB” substitute...
  - 10 After section 270BN insert— CHAPTER 2A Freeport qualifying  
expenditure Meaning...
  - 11 (1) Section 270EB (multiple uses) is amended as follows.
  - 12 In section 270IA(4) (evidence of qualifying expenditure etc), after  
subsection...

##### PART 3 — RELATED AMENDMENTS

##### *TMA 1970*

- 13 In section 98 of TMA 1970 (penalty for failure to...

##### *CAA 2001*

- 14 CAA 2001 is amended as follows.
- 15 (1) Section 3 (claims for capital allowances) is amended as...
- 16 (1) Section 570B (orders and regulations) is amended as follows...
- 17 After section 573 insert— Freeport tax sites In this Act, “freeport tax  
site” means an area for...
- 18 In Part 2 of Schedule 1 to CAA 2001 (defined...

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)*

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SCHEDULE 23 — Relief from stamp duty land tax for freeport tax sites

- 1 Part 4 of FA 2003 (stamp duty land tax) is...
- 2 After section 61 insert— Relief for freeport tax sites (1) Schedule 6C provides for relief in the case of...
- 3 In section 81 (further return where relief withdrawn)—
- 4 In section 81ZA (alternative finance arrangements: return where relief withdrawn)—...
- 5 In section 85(3) (liability for tax), after “arrangements” insert “...
- 6 In section 86 (payment of tax)— (a) in subsection (2),...
- 7 In section 87(3) (interest on unpaid tax), after paragraph (aza)...
- 8 After Schedule 6B insert— SCHEDULE 6C Stamp duty land tax:...

SCHEDULE 24 — Penalties for failure to make returns etc

PART 1 — INTRODUCTION

*Introduction*

- 1 (1) This Schedule provides for a person who fails to...

*Returns*

- 2 (1) The Table identifies, for each item listed in column...

*Interpretation*

- 3 (1) This paragraph applies for the interpretation of this Schedule....

*Application of Schedule to persons with multiple businesses etc*

- 4 (1) Sub-paragraphs (2) to (4) apply for the interpretation of...

PART 2 — LIABILITY TO A PENALTY

*Liability to penalty points*

- 5 (1) If a person fails to make a return on...

*Award of penalty points*

- 6 (1) Where a person is liable to a penalty point...

*Expiry of individual penalty points*

- 7 (1) A penalty point for a group of returns expires...

*Expiry of all penalty points for a group of returns*

- 8 (1) Each of a person's penalty points for a group...

*Penalty points: effect of moving between groups of returns*

- 9 (1) Paragraphs 10 to 13 apply where, in relation to...
- 10 (1) This paragraph applies to determine the penalty points the...
- 11 (1) This paragraph applies if the adjusted number of penalty...
- 12 (1) This paragraph applies if the adjusted number of penalty...
- 13 (1) Paragraph 8 applies in relation to the new group...

*Penalty points: effect of change of representative member of VAT group*

- 14 (1) This paragraph applies where— (a) a person is replaced...

*Liability to penalties*

- 15 (1) If a person fails to make a return on...

*Assessments*

- 16 (1) Where a person is liable to a penalty under...

*Time limit for assessments*

- 17 (1) An assessment of a penalty under this Schedule may...

*Power to amend figures by regulations*

- 18 (1) The Commissioners for HMRC may by regulations—  
PART 3 — SUPPLEMENTARY PROVISION

*Reasonable excuse*

- 19 (1) Liability to a penalty point or a penalty under...

*Double jeopardy*

- 20 A person is not liable to a penalty point or...

*Withdrawal of notice to make a return*

- 21 (1) This paragraph applies where— (a) a person is liable...

*Appeals*

- 22 A person may appeal against a decision of HMRC under...

- 23 (1) An appeal under paragraph 22 is to be treated...

- 24 (1) On an appeal under paragraph 22 that is notified...

*Partnerships*

- 25 (1) For the purposes of this Schedule—

*Settlements*

- 26 (1) For the purposes of this Schedule—

SCHEDULE 25 — Penalties for deliberately withholding information  
PART 1 — INTRODUCTION

*Introduction*

- 1 (1) This Schedule provides for penalties to be payable by...

*Interpretation*

- 2 (1) This paragraph applies for the interpretation of this Schedule....  
PART 2 — LIABILITY TO A PENALTY

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)*

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*Penalty for deliberately withholding information*

- 3 (1) A person who fails to make a return on...

*Categories of information*

- 4 (1) Information is category 1 information if—

*Power to make changes relating to categories of information by regulations*

- 5 (1) The Treasury may by regulations amend this Part of...

*Offshore transfers*

- 6 (1) This paragraph makes provision in relation to offshore transfers....

*Reductions for disclosure*

- 7 (1) Paragraph 8 provides for reductions in the penalty under...  
8 (1) If a person who would otherwise be liable to...

*Special reduction*

- 9 (1) If HMRC think it right because of special circumstances,...

*Interaction with other penalties*

- 10 (1) This paragraph applies where— (a) a person is liable...

*Determination of penalty where no return made*

- 11 (1) For the purposes of a penalty under this Schedule...

*Assessments*

- 12 (1) Where a person is liable to a penalty under...

*Supplementary assessments*

- 13 (1) A supplementary assessment may be made in respect of...

*Time limit for assessments*

- 14 (1) An assessment of a penalty under this Schedule may...  
PART 3 — SUPPLEMENTARY PROVISION

*Double jeopardy*

- 15 A person is not liable to a penalty under this...

*Withdrawal of notice to make a return*

- 16 (1) This paragraph applies where— (a) a person is liable...

*Appeals*

- 17 (1) A person may appeal against a decision of HMRC...  
18 (1) An appeal under paragraph 17 is to be treated...  
19 (1) On an appeal under paragraph 17(1) that is notified...



*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)*

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### *Partnerships*

- 20 (1) This paragraph applies where— (a) the representative partner, or...

#### *Regulations: supplementary provision*

- 21 (1) Regulations under this Schedule are to be made by...

## SCHEDULE 26 — Penalties for failure to pay tax

### PART 1 — INTRODUCTION

#### *Introduction*

- 1 (1) This Schedule makes provision for penalties to be payable...  
2 In this Schedule, “HMRC” means Her Majesty's Revenue and Customs....

#### *Assessments and determinations in default of return*

- 3 (1) This paragraph applies for the interpretation of the tables...  
PART 2 — LIABILITY TO A PENALTY

#### *No penalty if payment in full before end of 15 day period*

- 4 No penalty is payable if— (a) the tax due is...

#### *First penalty: tax remains due at end of 15 day period*

- 5 (1) A penalty is payable under this paragraph if—

#### *Meaning of “15 day time to pay condition” and “30 day time to pay condition”*

- 6 (1) The 15 day time to pay condition is met...

#### *First penalty: effect of breaking time to pay agreement*

- 7 (1) This paragraph applies where— (a) the 15 day time...

#### *Second penalty: tax remains due at end of 30 day period*

- 8 (1) A penalty is payable under this paragraph if any...

#### *Second penalty: effect of breaking time to pay agreement*

- 9 (1) This paragraph applies where— (a) a time to pay...

#### *Interpretation of Part 2*

- 10 (1) This paragraph gives the meaning of terms used in...

#### *Power to amend figures by regulations*

- 11 The Commissioners for HMRC may by regulations amend this Part...  
PART 3 — SUPPLEMENTARY PROVISION

#### *Reasonable excuse*

- 12 (1) Liability to a penalty under this Schedule does not...

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)

*Special reduction*

- 13 (1) If HMRC think it right because of special circumstances,...

*Double jeopardy*

- 14 A person is not liable to a penalty under this...

*Interaction with other penalties*

- 15 In the application of the following provisions, no account is...

*Assessments*

- 16 (1) Where a person is liable to a penalty under...  
17 (1) A supplementary assessment may be made in respect of...

*Time limit for assessments*

- 18 (1) An assessment of a penalty under this Schedule in...

*Appeals*

- 19 (1) A person may appeal against a decision of HMRC...  
20 (1) An appeal under paragraph 19 is to be treated...  
21 (1) On an appeal under paragraph 19(1) that is notified...

*Regulations: supplementary provision*

- 22 (1) Regulations under this Schedule are to be made by...

SCHEDULE 27 — Schedules 24 to 26: consequential provision

*Taxes Management Act 1970*

- 1 TMA 1970 is amended as follows.  
2 For section 8B(8) (withdrawal of notice to file personal or...  
3 For section 12AAA(9) (withdrawal of notice to file partnership return)...  
4 In section 49E (nature of review etc), after subsection (5)...  
5 After section 49E insert— Nature of review: penalties under Schedule...  
6 After section 49F insert— Effect of conclusions of review: penalties...  
7 In section 69 (recovery of penalty or interest), in subsection...  
8 In section 103ZA (disapplication of sections 100 to 103 in...  
9 (1) Section 107A (relevant trustees) is amended as follows.

*Income and Corporation Taxes Act 1988*

- 10 In section 824 of the Income and Corporation Taxes Act...

*Social Security Contributions and Benefits Act 1992*

- 11 The Social Security Contributions and Benefits Act 1992 is amended...  
12 In section 11A (application of certain provisions of the Income...  
13 In section 16(1) (application of Income Tax Acts and destination...

*Social Security Contributions and Benefits (Northern Ireland) Act 1992*

- 14 In section 11A of the Social Security Contributions and Benefits...

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)

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#### *Value Added Tax Act 1994*

- 15 VATA 1994 is amended as follows.
- 16 In the italic heading before section 59, omit “Default surcharge...
- 17 Omit sections 59 to 59B (default surcharge).
- 18 (1) Section 69 (breaches of regulatory provisions) is amended as...
- 19 In section 71 (construction of sections 59 to 70), in...
- 20 (1) Section 76 (assessment of amounts due by way of...
- 21 In section 77 (assessments: time limits and supplementary assessments),  
in...
- 22 In section 81 (interest given by way of credit and...
- 23 In section 83 (appeals), in subsection (1)—
- 24 In section 83F (nature of review etc), after subsection (5)...
- 25 After section 83F insert— Nature of review: penalties under Schedule...
- 26 After section 83FA (inserted by paragraph 25) insert— Effect of...
- 27 In section 84 (further provisions relating to appeals), in subsection...
- 28 In Schedule 13 (transitional provisions and savings), omit paragraph  
14....

#### *Income Tax (Trading and Other Income) Act 2005*

- 29 ITTOIA 2005 is amended as follows.
- 30 In the italic heading before section 54, for “, interest...
- 31 In section 54 (penalties, interest and VAT surcharges)—
- 32 In section 272 (application of trading income rules: GAAP), in...
- 33 In section 272ZA (application of trading income rules: cash basis),...
- 34 In the italic heading before section 869, for “, interest...
- 35 In section 869 (penalties, interest and VAT surcharges: non trades...

#### *Corporation Tax Act 2009*

- 36 In section 1303 of CTA 2009 (penalties, interest and VAT...

#### *Finance Act 2009*

- 37 FA 2009 is amended as follows.
- 38 In section 108 (suspension of penalties during currency of agreement...
- 39 (1) Schedule 55 (penalty for failure to make returns etc)...
- 40 (1) Schedule 56 (penalty for failure to make payments on...

#### *Finance Act 2012*

- 41 In Schedule 38 to FA 2012 (tax agents: dishonest conduct),...

#### *Finance Act 2013*

- 42 In Schedule 43C to FA 2013 (penalty under section 212A:...

#### *Finance Act 2014*

- 43 In section 212 of FA 2014 (aggregate penalties)—

#### *Finance Act 2015*

- 44 (1) Schedule 21 to FA 2015 (penalties in connection with...

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)*

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*Finance Act 2016*

- 45 FA 2016 is amended as follows.  
 46 In section 167 (simple assessments), omit subsections (3) and (4)...  
 47 (1) Schedule 20 (penalties for enablers of offshore tax evasion...  
 48 (1) Schedule 22 (asset-based penalty for offshore inaccuracies and failures)...  
 49 In Schedule 23 (simple assessments), omit paragraph 9.

*Finance Act 2017*

- 50 In Schedule 4 to FA 2017 (pensions: offshore transfers), omit...

*Finance (No. 2) Act 2017*

- 51 In Schedule 18 to F(No.2)A 2017 (requirement to correct certain...

SCHEDULE 28 — Follower notice penalties

PART 1 — AMENDMENT OF CHAPTER 2 OF PART 4 OF FA 2014

- 1 Chapter 2 of Part 4 of FA 2014 (follower notices)...

*Additional penalty for unreasonable tax appeal*

- 2 After section 208 (penalty if corrective action not taken in...

*Amount of a section 208 or 208A penalty*

- 3 (1) Section 209 (amount of a section 208 penalty) is...

*Assessment of a section 208A penalty*

- 4 After section 211 (assessment of a section 208 penalty) insert—...

*Aggregate penalties*

- 5 (1) Section 212 (aggregate penalties) is amended as follows.

*Alteration of assessment of a section 208 or 208A penalty*

- 6 (1) Section 213 (alteration of assessment of a section 208...

*Cancellation of a section 208A penalty*

- 7 In section 214 (appeal against a section 208 penalty), after...

*Appeal against a section 208A penalty*

- 8 After section 214 insert— Appeal against a section 208A penalty...

PART 2 — AMENDMENTS CONSEQUENTIAL ON PART 1

*FA 2014*

- 9 FA 2014 is amended as follows.  
 10 In the heading of Schedule 30 (section 208 penalty: value...  
 11 In Schedule 31 (follower notices and partnerships), after paragraph 4...  
 12 (1) In Schedule 31, paragraph 5 is amended as follows....

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)

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*National Insurance Contributions Act 2015*

- 13 (1) In Schedule 2 to the National Insurance Contributions Act...  
PART 3 — AMENDMENT OF SCHEDULE 20 TO FA 2015
- 14 In Schedule 20 to FA 2015 (penalties in connection with...  
PART 4 — COMMENCEMENT
- 15 The amendments made by Parts 1 and 2 of this...
- 16 The reference in section 120(2) of FA 2015 (commencement) to...

SCHEDULE 29 — Late payment interest and repayment interest: VAT

- 1 FA 2009 is amended as follows.
- 2 In section 102(4) (repayment interest on sums to be paid...
- 3 (1) Schedule 54 (repayment interest) is amended as follows.
- 4 (1) Schedule 54A (further provision as to late payment interest...

SCHEDULE 30 — Amendments of Part 5 of FA 2014

PART 1 — STOP NOTICES AND INFORMATION & INSPECTION POWERS

- 1 After section 236 (of FA 2014) insert— Stop notices Power...
  - 2 (1) Section 245 (withdrawal of monitoring notice) is amended as...
  - 3 Omit section 262 (information required for monitoring compliance with  
conduct...
  - 4 After section 272 insert— Application of Schedule 36 FA 2008...
  - 5 (1) Section 273 (confidentiality) is amended as follows.
  - 6 In section 283 (interpretation of Part 5), in subsection (1),...
  - 7 In Schedule 34 (threshold conditions)— (a) for the italic heading...
  - 8 (1) Schedule 35 (penalties) is amended as follows.
- PART 2 — PROMOTION STRUCTURES
- 9 In section 235 (carrying on a business “as a promoter”),...
  - 10 After Schedule 33 insert— SCHEDULE 33A Promotion structures  
Section 235...
  - 11 In section 237 (duty to give conduct notice), after subsection...
  - 12 In section 237A (duty to give conduct notice: defeat of...
  - 13 In section 250 (allocation of promoter reference number), in  
subsection...
  - 14 (1) Section 251 (duty of monitored promoter to notify clients...
  - 15 (1) Section 252 (duty of those notified to notify others...
  - 16 In section 258 (duty of person dealing with non-resident monitored...
  - 17 (1) Section 260 (intermediaries: duty to provide information about  
clients)...
  - 18 In section 283 (interpretation)— (a) in subsection (1), at the...
  - 19 In Schedule 34 (threshold conditions) in paragraph 13B, in sub-  
paragraph...

PART 3 — CONDUCT AND MONITORING NOTICES: TRANSFEREES

*Conduct notices: transferees*

- 20 (1) After section 239 insert— Conduct notices: transferees (1) This  
section applies if an authorised officer becomes aware...

*Monitoring notices: transferees*

- 21 (1) After section 244 insert— Monitoring notices: transferees (1) This  
section applies if an authorised officer becomes aware...

PART 4 — MISCELLANEOUS AMENDMENTS

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)*

*Conduct notices: significance of conditions*

22 (1) In section 237 (duty to give conduct notices)—

*Conduct notices: regular provision of information*

23 In section 238 (content of conduct notices), in subsection (3),...

*Conduct notices: withdrawal*

24 (1) Section 240 (amendment or withdrawal of conduct notice) is...

*Conduct notices: duration*

25 In section 241 (duration of conduct notice)—

*Defeat notices*

26 In section 241A (defeat notices), in subsection (4), for “come...

*Monitoring notices: applications to tribunal*

27 (1) In section 242 (monitoring notices: duty to apply to...

*Threshold conditions*

28 Schedule 34 (threshold conditions) is amended as follows.

29 (1) Paragraph 5 (non-compliance with Part 7 of FA 2004)...

30 In paragraph 7— (a) before the existing text, insert—

31 In paragraph 10 (exercise of information powers)—

SCHEDULE 31 — Disclosure of tax avoidance schemes

PART 1 — AMENDMENTS OF PART 7 OF FA 2004

1 Part 7 of FA 2004 (disclosure of tax avoidance schemes)...

2 Before section 306 insert— Introduction (1) This Part makes provision about the disclosure of information...

3 In section 307(4A) (meaning of “makes a firm approach”), omit...

4 After section 310C insert— Notice of potential allocation of reference...

5 For section 311 substitute— Allocation of reference number to arrangements...

6 (1) Section 312 (duty of promoter to notify client of...

7 After section 312 insert— Duty to notify client of reference...

8 (1) Section 312A (duty of client to notify parties of...

9 (1) Section 312B (duty of client to provide information to...

10 (1) Section 313 (duty of parties to notifiable arrangements to...

11 (1) Section 313ZA (duty to provide details of clients) is...

12 (1) Section 313ZB (enquiry following disclosure of client details) is...

13 (1) Section 313ZC (duty of employer to notify HMRC of...

14 In section 316 (information to be provided in form and...

15 In section 316A (duty to provide additional information), in subsections...

16 (1) Section 316C (publication by HMRC) is amended as follows...

17 In section 316D (section 316C: subsequent judicial rulings), in subsection...

18 In section 318(1) (interpretation of Part 7), for the definition...

PART 2 — AMENDMENTS OF SCHEDULE 17 TO F(No.2)A 2017

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- 19 Schedule 17 to F(No.2)A 2017 (disclosure of tax avoidance schemes:...
  - 20 Before Part 1 insert— PART A1 Introduction (1) This Schedule makes provision about the disclosure of information...
  - 21 In paragraph 10(1) (meaning of “makes a firm approach”), omit...
  - 22 After paragraph 21 insert— Notice of potential allocation of reference...
  - 23 For paragraph 22 (and the italic heading before it) substitute—...
  - 24 In the italic heading before paragraph 23, at the end...
  - 25 (1) Paragraph 23 (duty of promoter to notify client of...
  - 26 After paragraph 23 insert— Duty to notify client of reference...
  - 27 (1) Paragraph 24 (duty of client to notify parties of...
  - 28 In the italic heading before paragraph 25, omit “to promoter”....
  - 29 (1) Paragraph 25 (duty of client to provide information to...
  - 30 For the italic heading before paragraph 26 substitute “ Duty...
  - 31 (1) Paragraph 26 (duty of parties to notifiable arrangements to...
  - 32 In the italic heading before paragraph 27 omit “of promoter”....
  - 33 (1) Paragraph 27 (duty of promoter to provide details of...
  - 34 (1) Paragraph 28 (enquiry following disclosure of client details) is...
  - 35 In paragraph 33 (duty to provide additional information), in sub-paragraphs...
  - 36 In paragraph 34 (information to be provided in form and...
  - 37 (1) Paragraph 36 (publication by HMRC) is amended as follows....
  - 38 In paragraph 37 (paragraph 36: subsequent judicial rulings), in sub-paragraph...
  - 39 (1) Paragraph 39 (penalty for failure to comply with duties...
  - 40 In paragraph 40 (penalties: supplementary), in sub-paragraph (2), after paragraph...
  - 41 In paragraph 57(1) (interpretation of Schedule), for the definition of...
- PART 3 — OTHER AMENDMENTS
- 42 (1) Section 98C of TMA 1970 (notification under Part 7...
  - 43 (1) Chapter 3 of Part 4 of FA 2014 (accelerated...
- PART 4 — COMMENCEMENT
- 44 This Schedule comes into force on the day on which...
  - 45 (1) Section 310D of FA 2004 (inserted by paragraph 4)...
  - 46 (1) Paragraph 21A of Schedule 17 to F(No.2)A 2017 (inserted...

#### SCHEDULE 32 — The GAAR and partnerships

##### PART 1 — NEW SCHEDULE TO FA 2013

- 1 After Schedule 43C of FA 2013 insert— SCHEDULE 43D The...
- PART 2 — MINOR AND CONSEQUENTIAL AMENDMENTS TO PART 5 OF FA 2013
- 2 Part 5 of FA 2013 is amended as follows.
  - 3 (1) Section 209 (counteracting tax advantages) is amended as follows....
  - 4 After section 209AB insert— Adjustments under section 209: notices under...
  - 5 (1) Section 209AC (sections 209AA and 209AB: definitions) is amended...
  - 6 In section 210 (consequential relieving adjustments)— (a) in subsection (1)(b)...
  - 7 In section 212A (penalty), in subsection (1)(c)(ii) for “paragraph (c)”...
  - 8 After section 212A insert— Penalty: partnerships (1) This section applies if, in respect of a partnership—...
  - 9 In section 214(1)— (a) in the entry for “notice of...

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- 10 (1) Schedule 43 (general anti-abuse rule: procedural requirements) is amended...
- 11 (1) Schedule 43A (procedural requirements: pooling notices and notices of...
- 12 (1) Schedule 43B (procedural requirements: generic referral of tax arrangements)...
- 13 (1) Schedule 43C (penalty under section 212A: supplementary provision) is...

### SCHEDULE 33 — Licensing authorities: requirements to give or obtain tax information

#### *Meaning of “authorisation”, “authorised activity” and “licensing authority” etc*

- 1 (1) In this Schedule— (a) “authorisation” means an authorisation mentioned...

#### *First-time application: licensing authority required to give information about tax compliance*

- 2 (1) Sub-paragraph (2) applies where— (a) an individual or company...

#### *Renewed application: licensing authority required to obtain confirmation of tax check*

- 3 (1) Sub-paragraph (2) applies where— (a) an individual or company...

#### *HMRC required to make arrangements in connection with tax checks*

- 4 (1) HMRC must make arrangements (whether by means of a...

#### *Tax checks*

- 5 (1) For the purposes of this Schedule a person undertakes...

#### *Requirement to confirm completion of tax check ceases to apply if HMRC in default*

- 6 (1) Paragraph 3(2) (requirement of licensing authority to request and...

#### *Disclosure of information*

- 7 (1) HMRC (or anyone acting on their behalf) may, for...

#### *Regulations*

- 8 (1) The HMRC Commissioners may by regulations make provision about—...

#### *Interpretation*

- 9 In this Schedule— “authorisation” has the meaning given by paragraph...

#### *Partnerships*

- 10 (1) A reference in this Schedule to an individual or...

#### *Consequential amendments*

- 11 (1) In the Transport Act 1985, section 17 (London taxi...



*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2021. (See end of Document for details)*

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SCHEDULE 34 — Information powers: miscellaneous amendments

1 Schedule 36 to FA 2008 (information and inspection powers) is...

*Disclosure of third party or financial institution notice*

2 After paragraph 51 insert— Disclosure of third party or financial...

*Increased daily default penalty*

3 The existing text of paragraph 47 (right to appeal against...

4 In paragraph 48 (procedure on appeal against penalty)—

5 (1) Paragraph 49A (increased daily penalty) is amended as follows....

6 (1) Paragraph 49B is amended as follows.

7 Omit paragraph 49C.

*Power to give taxpayer notice following land transaction return*

8 (1) Paragraph 21A (taxpayer notices following land transaction return)  
is...

*Commencement*

9 The amendments made by paragraph 8 have effect whenever the...

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2021.