



Finance (No. 2) Act 2023

2023 CHAPTER 30

PART 7

MISCELLANEOUS AND FINAL

Administration

333 Right to repayment of income tax to be inalienable

- (1) A right of an individual to a repayment of income tax from HMRC may not be assigned.
- (2) Every assignment of a right of an individual to a repayment of income tax from HMRC, and every agreement to assign any such right, is void.
- (3) Subsection (2) has effect in relation to assignments and agreements to assign of which HMRC receives notice on or after 15 March 2023.
- (4) In the application of this section to Scotland the reference to assignment of a right is to be read as a reference to assignation, “assign” being construed accordingly.
- (5) In this section “HMRC” means His Majesty’s Revenue and Customs.

334 Late payment interest on value added tax

- (1) In the Finance Act 2009, Sections 101 and 102 (Value Added Tax) (Late Payment Interest and Repayment Interest) (Exceptions and Consequential Amendments) Order 2022 ([S.I. 2022/1298](#)), in Part 2 (exceptions), before article 2 insert—

“1A Exception from section 101 of the Finance Act 2009 - late payment interest

- (1) Section 101 of the Finance Act 2009 (late payment interest on sums due to HMRC) does not apply to annual accounting scheme instalments.

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2023, Cross Heading: Administration. (See end of Document for details)

- (2) In paragraph (1) “annual accounting scheme instalment” means an amount payable to HMRC by virtue of regulation 50(2)(a) of the VAT Regulations.”
- (2) In Part 2 of Schedule 53 to FA 2009 (late payment interest start date), after paragraph 11 insert—

“VAT due after excess payment or credit from HMRC

11ZA (1) This paragraph applies to any amount of value added tax which is due and recoverable from a person by virtue of—

- (a) section 73(9) of VATA 1994, in relation to an amount assessed and notified to the person under subsection (2) of that section, or
- (b) section 80C(1) of that Act.

(2) The late payment interest start date in respect of that amount is the date on which HMRC paid or credited that amount to the person.”

- (3) Where, ignoring this subsection, the late payment interest start date in respect of an amount would, by virtue of paragraph 11ZA of Schedule 53 to FA 2009 (inserted by subsection (2)), be a date before 15 March 2023, the late payment interest start date in respect of that amount is instead 15 March 2023.
- (4) The amendment made by subsection (1) is treated as having been made under section 101(2)(c) of FA 2009 (power to specify descriptions of amounts payable to HMRC that are not subject to late payment interest).
- (5) This section is treated as having come into force on 15 March 2023.

Commencement Information

II S. 334 in force in accordance with s. 334(5)

335 Penalties for failure to pay value added tax

- (1) Paragraph 1 of Schedule 26 to FA 2021 (penalties for failure to pay tax) is amended in accordance with subsections (2) to (4).
- (2) The existing text becomes sub-paragraph (1).
- (3) In the table in that sub-paragraph relating to value added tax—
- (a) in item 1, in the second column, for “(except an amount within item 2, 3, 4 or 5)” substitute “except an amount within item 3, 4 or 5, or that is an annual accounting scheme instalment”;
 - (b) omit item 2.
- (4) After that sub-paragraph insert—
- “(2) In the table relating to value added tax, “annual accounting scheme instalment” means an amount payable to HMRC by virtue of regulation 50(2)(a) of the Value Added Tax Regulations 1995 (S.I. 1995/2518).”
- (5) The amendments made by this section are treated as always having had effect.

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2023, Cross Heading: Administration. (See end of Document for details)

336 VAT credits: repayment interest due where evidence not provided

- (1) Paragraph 12E of Schedule 54 to FA 2009 (special provision as to amounts carrying repayment interest etc) is amended as follows.
- (2) In sub-paragraph (1), in paragraph (b)—
 - (a) for “4(1) or (1A)” substitute “4(1A)”;
 - (b) omit “production of evidence and”.
- (3) In sub-paragraph (2)—
 - (a) in paragraph (a) omit “production of evidence or”;
 - (b) in paragraph (b) omit “the required evidence or”.
- (4) The amendments made by this section are to be treated as having come into force immediately after the coming into force of Schedule 29 to FA 2021 in accordance with regulation 2(2)(a) of The Finance Act 2009, Finance (No. 3) Act 2010 and Finance Act 2021 (Value Added Tax) (Interest) (Appointed Days) Regulations 2022 (S.I. 2022/1277).

337 Insurance premium tax: power to make regulations about notifications

- In Part 3 of FA 1994 (insurance premium tax), in section 74 (orders and regulations)—
- (a) after subsection (6) insert—

“(6A) Regulations under this Part making provision as to the form and manner in which a notification is to be made, or as to the information to be contained in or provided with a notification, may make such provision by reference to a notice published by the Commissioners from time to time.”;
 - (b) in subsection (9), for “(7) and” substitute “(6A) to”.

338 Penalties for failure to make payments of plastic packaging tax on time

- (1) Schedule 56 to FA 2009 (penalty for failure to make payments on time) is amended as follows—
 - (a) in paragraph 3(1), after sub-paragraph (a) insert—

“(aza) a payment of tax falling within items 11AA or 11AB in the Table,”;
 - (b) in paragraph 8A(1), for “and 11A to” substitute “, 11A and 11B to”.
- (2) The amendments made by this section have effect in relation to amounts of plastic packaging tax payable in respect of accounting periods commencing on or after 1 April 2023.

Changes to legislation:

There are currently no known outstanding effects for the Finance (No. 2) Act 2023, Cross
Heading: Administration.