



Finance Act 2024

2024 CHAPTER 3

PART 3

MISCELLANEOUS AND FINAL

Evasion, avoidance etc

35 Construction industry scheme: gross payment status

- (1) FA 2004 is amended as follows.
- (2) In section 66 (cancellation of registration for gross payment)—
- (a) in subsection (1)—
- (i) in paragraph (b), after “sub-contractor” insert “in connection with an obligation arising”;
- (ii) in paragraph (c), for “any such provision” substitute “an obligation arising under or in connection with any provision of this Chapter or of regulations made under it”.
- (b) in subsection (3)—
- (i) for paragraph (b) substitute—
- “(b) has fraudulently made an incorrect return or has fraudulently provided incorrect information (whether as a contractor or a sub-contractor) in connection with an obligation—
- (i) arising under any provision of this Chapter or of regulations made under it;
- (ii) arising under any provision of PAYE regulations;
- (iii) to submit a self-assessment return;
- (iv) arising under any provision of the Value Added Tax Act 1994 or of regulations made under it, or”;

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- (ii) in paragraph (c), for “any such provision” substitute “an obligation arising under or in connection with any provision of this Chapter or of regulations made under it”.
- (3) In Schedule 11 (conditions for registration for gross payment)—
- (a) in paragraph 4, in sub-paragraph (1)(a)—
 - (i) in sub-paragraph (iii), for “the PAYE Regulations ([SI 2003/2682](#))” substitute “PAYE regulations”;
 - (ii) at the end insert—
 - “(v) to account for or pay VAT as required by or under the Value Added Tax Act 1994, and”;
 - (b) in paragraph 8, in sub-paragraph (1)(a)—
 - (i) in sub-paragraph (iii), for “the PAYE Regulations ([SI 2003/2682](#))” substitute “PAYE regulations”;
 - (ii) at the end insert—
 - “(v) to account for or pay VAT as required by or under the Value Added Tax Act 1994, and”;
 - (c) in paragraph 12, in sub-paragraph (1)(a)—
 - (i) in sub-paragraph (iii), for “the PAYE Regulations ([SI 2003/2682](#))” substitute “PAYE regulations”;
 - (ii) at the end insert—
 - “(v) to account for or pay VAT as required by or under the Value Added Tax Act 1994, and”.
- (4) The amendments in this section have effect in relation to—
- (a) applications for gross payment status made on or after 6 April 2024, and
 - (b) registrations for gross payment status which are in effect on or after 6 April 2024 (but see [subsection \(5\)](#)).
- (5) When making a determination under section 66(1)(a) of FA 2004 (cancellation of registration for gross payment) in relation to a person registered for gross payment status before 6 April 2024, any failure by that person before 6 April 2024 to comply with an obligation to account for or pay VAT must be disregarded (notwithstanding the amendments made by [subsection \(3\)](#)).

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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):

- Sch. 9 para. 132(1) Sch. 9 para. 132 renumbered as Sch. 9 para. 132(1) by [S.I. 2024/356 reg. 4\(23\)\(a\)](#)
- Sch. 9 para. 125(1)(c) and word inserted by [S.I. 2024/356 reg. 4\(3\)\(b\)](#)
- Sch. 9 para. 125(3A) inserted by [S.I. 2024/356 reg. 4\(6\)](#)
- Sch. 9 para. 126(1)(c) inserted by [S.I. 2024/356 reg. 4\(9\)\(c\)](#)
- Sch. 9 para. 126(3A) inserted by [S.I. 2024/356 reg. 4\(10\)](#)
- Sch. 9 para. 127A and cross-heading inserted by [S.I. 2024/356 reg. 4\(12\)](#)
- Sch. 9 para. 128(6)(a)(zi) inserted by [S.I. 2024/356 reg. 4\(13\)](#)
- Sch. 9 para. 129(1)(c)(d) inserted by [S.I. 2024/356 reg. 4\(15\)\(b\)](#)
- Sch. 9 para. 129(2)(c) and word inserted by [S.I. 2024/356 reg. 4\(16\)\(b\)](#)
- Sch. 9 para. 130A and cross-heading inserted by [S.I. 2024/356 reg. 4\(21\)](#)
- Sch. 9 para. 132(2)-(5) inserted by [S.I. 2024/356 reg. 4\(23\)\(c\)](#)
- Sch. 9 para. 132A and cross-heading inserted by [S.I. 2024/356 reg. 4\(24\)](#)
- Sch. 9 para. 132(1) words inserted by [S.I. 2024/356 reg. 4\(23\)\(b\)](#)