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## EXPLANATORY NOTE

*(This note is not part of the Order)*

Paragraphs 1, 4 and 10 of Schedule 10 to the Finance (No. 3) Act 2010 make clarifications to the late filing penalty regime set out in Schedule 55 to the Finance Act 2009. Schedule 55 comes into force in respect of pension scheme returns on 1 April 2011 and in respect of income tax self assessment returns on 6th April 2011 (by [S.I. 2011/702](#)).

Article 2 of this Order appoints 6th April 2011 as the day on which paragraphs 1, 4 and 10 of Schedule 10 to the Finance (No. 3) Act 2010 come into force for the purposes of income tax self assessment returns. It also appoints 1st April 2011 as the day on which those paragraphs come into force for the purposes of pension scheme returns.

The pension scheme returns affected by this Order are those to be made under section 254 of the Finance Act 2004 in respect of a return period ending on or after 31st March 2011. Those income tax self assessment returns affected by this Order are those required to be made or delivered to HMRC in relation to any tax year ending after 5th April 2010.

Article 3 appoints 6th April 2011 as the day on which paragraph 1 and 9 of Schedule 11 to the Finance (No. 3) Act 2010 comes into force in respect of the amounts of tax falling within the income tax self assessment regime. These paragraphs make clarifications to the late payment penalty regime set out in Schedule 56 to the Finance Act 2009. Schedule 56 comes into force in respect of amounts of tax within the income tax self assessment regime on 6th April 2011 (by [S.I. 2011/702](#)). The amounts of tax within the income tax self assessment regime affected are those which are payable in relation to any tax year ending after 5th April 2010.

A full Impact Assessment of the effect that the interest harmonisation and late filing and late payment penalties reform will have on the costs of business and the voluntary sector was published by HMRC on 14th April 2009 and is available at <http://www.hmrc.gov.uk/better-regulation/ia.htm> .