Taxes Management Act 1970

1970 CHAPTER 9

PART IV

ASSESSMENT AND CLAIMS

Time limits

[F1 36 [F2 Loss of tax brought about carelessly or deliberately etc]

[F3 (1) An assessment on a person in a case involving a loss of income tax or capital gains tax brought about carelessly by the person may be made at any time not more than 6 years after the end of the year of assessment to which it relates (subject to subsection (1A) and any other provision of the Taxes Acts allowing a longer period).

(1A) An assessment on a person in a case involving a loss of income tax or capital gains tax —

(a) brought about deliberately by the person,

(b) attributable to a failure by the person to comply with an obligation under section 7, F4...

(c) attributable to arrangements in respect of which the person has failed to comply with an obligation under section 309, 310 or 313 of the Finance Act 2004 (obligation of parties to tax avoidance schemes to provide information to Her Majesty's Revenue and Customs), [F5 or

(d) attributable to arrangements which were expected to give rise to a tax advantage in respect of which the person was under an obligation to notify the Commissioners for Her Majesty's Revenue and Customs under section 253 of the Finance Act 2014 (duty to notify Commissioners of promoter reference number) but failed to do so,]

may be made at any time not more than 20 years after the end of the year of assessment to which it relates (subject to any provision of the Taxes Acts allowing a longer period).

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(1B) In subsections (1) and (1A) references to a loss brought about by the person who is the subject of the assessment include a loss brought about by another person acting on behalf of that person.**]**

[F6(2) **[**F7Where the person mentioned in subsection (1) or (1A) ("the person in default")**]** carried on a trade, profession or business with one or more other persons at any time in the period for which the assessment is made, an assessment in respect of the profits or gains of the trade, profession or business **[**F8in a case**]** mentioned in **[**F9subsection (1A) or (1B)**]** may be made not only on the person in default but also on his partner or any of his partners.**]**

(3) If the person on whom the assessment is made so requires, in determining the amount of the tax to be charged for any chargeable period in any assessment made **[**F10in a case**]** mentioned in subsection (1) **[**F11or (1A)**]** above, effect shall be given to any relief or allowance to which he would have been entitled for that chargeable period on a claim or application made within the time allowed by the Taxes Acts.

[In subsection (3) above, "claim or application" does not include an election under F13...

F12(3A) **[**F14any of sections 47 to 49 of ITA 2007**][**F15(tax reductions for married couples and civil partners: elections to transfer relief)**]**F16... .**]**

[Any act or omission such as is mentioned in section 98B below on the part of a

F17(4) grouping (as defined in that section) or member of a grouping shall be deemed for the purposes of **[**F18subsections (1) and (1A)**]** above to be the act or omission of each member of the grouping.**]]**

Textual Amendments

F1 S. 36 substituted by Finance Act 1989 (c. 26), s. 149(1) but shall not affect making of assessments before 1983-84 or for accounting periods ending before 1 April 1983

F2 S. 36 heading substituted (1.4.2010) by Finance Act 2008 (c. 9), s. 118(2), **Sch. 39 para. 9(6)** (with Sch. 39 para. 66); S.I. 2009/403, art. 2(2) (with art. 10)

F3 S. 36(1)-(1B) substituted for s. 36(1) (1.4.2010) by Finance Act 2008 (c. 9), s. 118(2), **Sch. 39 para. 9(2)** (with Sch. 39 para. 66); S.I. 2009/403, art. 2(2) (with arts. 7, 10)

F4 Word in s. 36(1A) omitted (17.7.2014) by virtue of Finance Act 2014 (c. 26), **s. 277(1)(a)** (with ss. 269-271)

F5 S. 36(1A)(d) and preceding word inserted (17.7.2014) by Finance Act 2014 (c. 26), **s. 277(1)(b)** (with ss. 269-271)

F6 S. 36(2) substituted (with effect in accordance with s. 199(2)(3) of the amending Act) by Finance Act 1994 (c. 9), **Sch. 19 para. 11(2)**; S.I. 1998/3173, art. 2

F7 Words in s. 36(2) substituted (1.4.2010) by Finance Act 2008 (c. 9), s. 118(2), **Sch. 39 para. 9(3)(a)** (with Sch. 39 para. 66); S.I. 2009/403, art. 2(2) (with art. 10)

F8 Words in s. 36(2) substituted (1.4.2010) by Finance Act 2009 (c. 10), s. 99(2), **Sch. 51 para. 41**; S.I. 2010/867, art. 2(1)

F9 Words in s. 36(2) substituted (1.4.2010) by Finance Act 2008 (c. 9), s. 118(2), **Sch. 39 para. 9(3)(b)** (with Sch. 39 para. 66); S.I. 2009/403, art. 2(2) (with art. 10)

F10 Words in s. 36(3) substituted (1.4.2010) by Finance Act 2009 (c. 10), s. 99(2), **Sch. 51 para. 41**; S.I. 2010/867, art. 2(1)

F11 Words in s. 36(3) inserted (1.4.2010) by Finance Act 2008 (c. 9), s. 118(2), **Sch. 39 para. 9(4)** (with Sch. 39 para. 66); S.I. 2009/403, art. 2(2) (with art. 10)

F12 S. 36(3A) inserted (16.7.1992) by Finance (No. 2) Act 1992 (c. 48), s. 20, Sch. 5 paras. 9(2), **10**

F13 Words in s. 36(3A) omitted (with effect in accordance with Sch. 1 para. 7 of the amending Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 6(a)(i)**

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F14 Words in s. 36(3A) inserted (with effect in accordance with s. 1034(1) of the amending Act) by Income Tax Act 2007 (c. 3), s. 1034(1), **Sch. 1 para. 251(a)** (with Sch. 2)

F15 Words in s. 36(3A) substituted (with effect in accordance with s. 1034(1) of the amending Act) by Income Tax Act 2007 (c. 3), s. 1034(1), **Sch. 1 para. 251(b)** (with Sch. 2)

F16 Words in s. 36(3A) repealed (27.8.2002 for specified purposes, 6.4.2003 in so far as not already in force) by Tax Credits Act 2002 (c. 21), s. 61, **Sch. 6**; S.I. 2002/1727, art. 2; S.I. 2003/962, art. 2(3)(e), Sch. 1

F17 S. 36(4) added by Finance Act 1990 s. 69, Sch. 11 para. 4(1) *on and after* 1*July* 1989.

F18 Words in s. 36(4) substituted (1.4.2010) by Finance Act 2008 (c. 9), s. 118(2), **Sch. 39 para. 9(5)** (with Sch. 39 para. 66); S.I. 2009/403, art. 2(2) (with art. 10)

Modifications etc. (not altering text)

C1 Pts. 4-6 applied (22.7.2020) by Finance Act 2020 (c. 14), **Sch. 16 para. 9(3)**

C2 S. 36 applied by The Income Tax (Entertainers and Sportsmen) Regulations 1987 (S.I. 1987/530), **reg. 11(2)**

C3 S. 36 applied (1.10.1993) by The Income Tax (Manufactured Overseas Dividends) Regulations 1993 (S.I. 1993/2004), **reg.11(7)**

C4 S. 36 applied (2.1.1996) by The Gilt-edged Securities (Periodic Accounting for Tax on Interest) Regulations 1995 (S.I. 1995/3224), regs. 1, **18(1)** (with reg. 21)

C5 S. 36 applied (2.1.1996) by The Lloyds Underwriters (Gilt-edged Securities) (Periodic Accounting for Tax on Interest) Regulations 1995 (S.I. 1995/3225), regs. 1, **10(1)** (with reg. 13)

C6 S. 36 modified (with effect in accordance with reg. 1(2) of the amending S.I.) by The Lloyds Underwriters (Tax) Regulations 2005 (S.I. 2005/3338), regs. 1(1), **11**

C7 S. 36 applied by The Authorised Investment Funds (Tax) Regulations 2006 (S.I. 2006/964), **reg. 69Z33(3)** (as inserted (6.4.2008) by S.I. 2008/705, regs. 1, **5**)

C8 S. 36 applied by The Individual Savings Account Regulations 1998 (S.I. 1998/1870), Sch. para. 10(4) (as inserted (6.4.2017) by S.I. 2017/466, regs. 1, **31**)

C9 S. 36 applied by The Individual Savings Account Regulations 1998 (S.I. 1998/1870), Sch. para. 12(3) (as inserted (6.4.2017) by S.I. 2017/466, regs. 1, **31**)

C10 S. 36 applied by The Individual Savings Account Regulations 1998 (S.I. 1998/1870), Sch. para. 14(3) (as inserted (6.4.2017) by S.I. 2017/466, regs. 1, **31**)

C11 S. 36 applied (22.7.2020) by Finance Act 2020 (c. 14), **Sch. 16 para. 9(2)**

C12 S. 36(1) applied (with modifications) (6.4.2006) by The Registered Pension Schemes (Accounting and Assessment) Regulations 2005 (S.I. 2005/3454), regs. 1, **11**

C13 S. 36(1A)(b) modified (22.7.2020) by Finance Act 2020 (c. 14), **Sch. 16 para. 12(6)**

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View outstanding changes

Changes and effects yet to be applied to :

- s. 12ABZAA(5)(a) words substituted by 2017 c. 32, Sch. 14 para. 10BA(3)(a) (as inserted) by 2020 c. 14 s. 104(4)
- s. 12ABZAA(5)(b) words substituted by 2017 c. 32, Sch. 14 para. 10BA(3)(b) (as inserted) by 2020 c. 14 s. 104(4)
- s. 7(1BA) words substituted by 2017 c. 32 Sch. 14 para. 2(3)
- s. 8(1I)-(1L) inserted by 2024 c. 3 s. 36(1)
- s. 8(1AB)-(1AD) inserted by 2017 c. 32 Sch. 14 para. 3(5)
- s. 8(1HA) inserted by 2017 c. 32 Sch. 14 para. 3(11)
- s. 8A(1)(1ZA) substituted for s. 8A(1) by 2017 c. 32 Sch. 14 para. 4(3)
- s. 8A(1G)-(1J) inserted by 2024 c. 3 s. 36(2)
- s. 8A(1AB)-(1AD) inserted by 2017 c. 32 Sch. 14 para. 4(5)
- s. 8A(1FA) inserted by 2017 c. 32 Sch. 14 para. 4(9)
- s. 8A(6)(7) inserted by 2017 c. 32 Sch. 14 para. 4(12)
- s. 12B(1)(1A) substituted for s. 12B(1) by 2017 c. 32 Sch. 14 para. 14(2)
- s. 12B(2ZA)(2ZB) inserted by 2017 c. 32 Sch. 14 para. 14(4)
- s. 12C and cross-heading inserted by 2017 c. 32 s. 60(2)
- s. 12AA(5F)-(5I) inserted by 2024 c. 3 s. 36(3)
- s. 12AC(1)(aa) inserted by 2017 c. 32 Sch. 14 para. 13(2)(c)
- s. 12AC(7)(a) words inserted by 2017 c. 32 Sch. 14 para. 13(3)(b)
- s. 12AC(7)(a) words renumbered as s. 12AC(7)(a) by 2017 c. 32 Sch. 14 para. 13(3)(a)
- s. 12AC(7)(b) inserted by 2017 c. 32 Sch. 14 para. 13(3)(c)
- s. 12ABA(5) inserted by 2017 c. 32 Sch. 14 para. 11(4)
- s. 28ZA(6)(c) inserted by 2017 c. 32 Sch. 14 para. 15(b)
- s. 29(6)(aa) inserted by 2017 c. 32 Sch. 14 para. 20(3)
- s. 34-36 applied by S.I. 2009/2997 reg. 20(6)
- Sch. A1 amendment to earlier affecting provision 2017 c. 32, s. 60 by 2018 c. 3 Sch. 6 para. 7(2)(a)
- Sch. A1 amendment to earlier affecting provision 2017 c. 32, s. 60 by 2018 c. 3 Sch. 6 para. 7(2)(b)
- Sch. A1 inserted by 2017 c. 32 s. 60(3)
- Sch. A1 para. 8(6)(b) omitted by 2022 c. 3 Sch. 1 para. 32(b)
- Sch. A1 para. 8(2) substituted by 2022 c. 3 Sch. 1 para. 32(a)

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. 12ABZAA(5)(a) words substituted by 2017 c. 32, Sch. 14 para. 10BA(3)(a) (as inserted) by 2020 c. 14 s. 104(4)
- s. 12ABZAA(5)(b) words substituted by 2017 c. 32, Sch. 14 para. 10BA(3)(b) (as inserted) by 2020 c. 14 s. 104(4)
- s. 7(1BA) words substituted by 2017 c. 32 Sch. 14 para. 2(3)
- s. 8(1I)-(1L) inserted by 2024 c. 3 s. 36(1)
- s. 8(1AB)-(1AD) inserted by 2017 c. 32 Sch. 14 para. 3(5)
- s. 8(1HA) inserted by 2017 c. 32 Sch. 14 para. 3(11)
- s. 8A(1)(1ZA) substituted for s. 8A(1) by 2017 c. 32 Sch. 14 para. 4(3)
- s. 8A(1G)-(1J) inserted by 2024 c. 3 s. 36(2)
- s. 8A(1AB)-(1AD) inserted by 2017 c. 32 Sch. 14 para. 4(5)

- s. 8A(1FA) inserted by 2017 c. 32 Sch. 14 para. 4(9)
- s. 8A(6)(7) inserted by 2017 c. 32 Sch. 14 para. 4(12)
- s. 12B(1)(1A) substituted for s. 12B(1) by 2017 c. 32 Sch. 14 para. 14(2)
- s. 12B(2ZA)(2ZB) inserted by 2017 c. 32 Sch. 14 para. 14(4)
- s. 12C and cross-heading inserted by 2017 c. 32 s. 60(2)
- s. 12AA(5F)-(5I) inserted by 2024 c. 3 s. 36(3)
- s. 12AC(1)(aa) inserted by 2017 c. 32 Sch. 14 para. 13(2)(c)
- s. 12AC(7)(a) words inserted by 2017 c. 32 Sch. 14 para. 13(3)(b)
- s. 12AC(7)(a) words renumbered as s. 12AC(7)(a) by 2017 c. 32 Sch. 14 para. 13(3)(a)
- s. 12AC(7)(b) inserted by 2017 c. 32 Sch. 14 para. 13(3)(c)
- s. 12ABA(5) inserted by 2017 c. 32 Sch. 14 para. 11(4)
- s. 28ZA(6)(c) inserted by 2017 c. 32 Sch. 14 para. 15(b)
- s. 29(6)(aa) inserted by 2017 c. 32 Sch. 14 para. 20(3)
- Sch. A1 amendment to earlier affecting provision 2017 c. 32, s. 60 by 2018 c. 3 Sch. 6 para. 7(2)(a)
- Sch. A1 amendment to earlier affecting provision 2017 c. 32, s. 60 by 2018 c. 3 Sch. 6 para. 7(2)(b)
- Sch. A1 inserted by 2017 c. 32 s. 60(3)
- Sch. A1 para. 8(6)(b) omitted by 2022 c. 3 Sch. 1 para. 32(b)
- Sch. A1 para. 8(2) substituted by 2022 c. 3 Sch. 1 para. 32(a)