

2015 No. 0000

INCOME TAX

CORPORATION TAX

CAPITAL GAINS TAX

The Finance Act 2014 (Schedule 34 Prescribed Matters)
Regulations 2015

<i>Made</i>	- - - -	***
<i>Laid before the House of Commons</i>		***
<i>Coming into force</i>	- -	***

The Commissioners for Her Majesty’s Revenue and Customs^(a) in exercise of the powers conferred by section 283(1) of, and paragraphs 8(1), 8(3) and 9(2) of Schedule 34 to, the Finance Act 2014^(b), make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Finance Act 2014 (Schedule 34 Prescribed Matters) Regulations 2015 and come into force on [***] 2015.

Prescribed misconduct

2.—(1) In paragraph 8(1)(a) of Schedule 34 “misconduct of a kind prescribed” means any conduct—

- (a) which a professional body describes as misconduct, or
- (b) which is a breach of a rule or condition imposed by a professional body in the course of a person’s activities which are regulated by the professional body,

and is relevant to the provision of tax advice or tax related services.

Prescribed action

3. In paragraph 8(1)(b) of Schedule 34 “action of a kind so prescribed” means any action by a professional body which results in any claim of misconduct being referred to—

- (a) a disciplinary process which determines—
 - (i) whether misconduct took place,

(a) Section 283(1) of the Finance Act 2014 (c. 26) defines “the Commissioners” as the Commissioners for Her Majesty’s Revenue and Customs.
(b) 2014 c. 26. Section 283(1) is an interpretation provision and is cited for the definition of the word “prescribed”.

- (ii) if misconduct is found to have taken place, the seriousness of the misconduct, and
 - (iii) the level of any penalty to be imposed;
- (b) a conciliation, arbitration or similar settlement process (however described) which determines the seriousness of the misconduct and the level of any penalty to be imposed.

Prescribed penalty

4. In paragraph 8(1)(c) of Schedule 34 “penalty of a kind prescribed” means any penalty imposed by a professional body which results in one or more of the following—

- (a) a fine or financial penalty greater than £5,000;
- (b) a condition or restriction on, or attached to, a certificate or licence required to practice under the professional body;
- (c) suspension, withdrawal or non-renewal of a certificate or licence required to practice under the professional body;
- (d) suspension, expulsion or exclusion from membership of the professional body, however described (including removal from a membership register, striking off), whether temporary or permanent.

Prescribed professional bodies

5. The following are prescribed professional bodies for the purposes of paragraph 8(3)(l) of Schedule 34—

- (a) The Chartered Institute of Taxation;
- (b) Chartered Accountants Ireland.

Prescribed relevant sanction

6.—(1) In paragraph 9 of Schedule 34 a sanction is prescribed if a regulatory authority imposes one or more of the following—

- (a) a fine or financial penalty;
- (b) a suspension of an approval issued by the regulatory authority to perform any function to which the approval relates;
- (c) the imposition of limitations or other restrictions in relation to the performance of any function to which any approval issued by the regulatory authority relates;
- (d) the imposition of any conditions in relation to any approval issued by the regulatory authority.

(2) A sanction is also prescribed if a regulatory authority publishes a statement of misconduct by that person.

		<i>Name</i>
		<i>Name</i>
Date	Two of the Commissioners for Her Majesty’s Revenue and Customs	

EXPLANATORY NOTE

(This note is not part of these Regulations)

These Regulations are made under paragraphs 8(1), 8(3)(l) and 9(2) of Schedule 34 to the Finance Act 2014 (c. 26). Section 283(1) of the Finance Act 2014 is included in the vires as it is an interpretation provision which defines “prescribed” for the purposes of Part 5 of the Act.

Regulation 2 prescribes kinds of misconduct for the purposes of paragraph 8(1)(a) of Schedule 34 to the Finance Act 2014.

Regulation 3 prescribes action taken by a professional body in relation to prescribed misconduct for the purposes of paragraph 8(1)(b) of Schedule 34 to the Finance Act 2014.

Regulation 4 prescribes kinds of penalties for the purpose of paragraph 8(1)(c) of Schedule 34 to the Finance Act 2014.

Regulation 5 adds two new organisations which are prescribed as professional bodies: the Chartered Institute of Taxation and Chartered Accountants Ireland.

Regulation 6 prescribes, in relation to disciplinary action by a regulatory authority, a sanction for the purpose of paragraph 9 of Schedule 34 to the Finance Act 2014.

In line with government commitments, a Tax Information and Impact Note has not been provided in respect of these Regulations. There has been no change in policy, and there is no change to the tax, administrative or other impacts.