STATUTORY INSTRUMENTS

2015 No. 873

TAXES

The International Tax Compliance (Crown Dependencies and Gibraltar) (Amendment) Regulations 2015

Made - - - -	*24th March 2015*
Laid before the House of Commons - - - -	*25th March 2015*
Coming into force - -	*15th April 2015*

The Treasury make these Regulations in exercise of the powers conferred by section 136 of the Finance Act 2002(**1**) and section 222(1), (2) and (3) of the Finance Act 2013(**2**):

Citation and commencement

1.—(1) These Regulations may be cited as the International Tax Compliance (Crown Dependencies and Gibraltar) (Amendment) Regulations 2015.

(2) These Regulations come into force on 15th April 2015.

Amendment of the International Tax Compliance (Crown Dependencies and Gibraltar) Regulations 2014

2.—(1) The International Tax Compliance (Crown Dependencies and Gibraltar) Regulations 2014(**3**) are amended as follows.

(2) In regulation 3—

(a) in paragraph (4)(b) omit "from the activities undertaken on behalf of person A by person B",

(b) in paragraph (7)(b) after "holds" insert "financial", and

(c) in paragraph (9) omit "(a)(i)".

(3) In regulation 8—

(a) omit paragraph (2), and

(**1**) 2002 c. 23.
(**2**) 2013 c. 29.
(**3**) S.I. 2014/520.

(b) in paragraph (3) for "The institution must send a return under this regulation to an officer of Revenue and Customs" substitute "The return must be submitted electronically in accordance with regulation 8A".

(4) After regulation 8 insert—

"**Electronic return system**

8A.—(1) The return must be made electronically using an electronic return system.

(2) An electronic return system is the form and manner specified in specific or general directions given by the Commissioners for Her Majesty's Revenue and Customs.

(3) A return which is made in a form or manner otherwise than by an electronic return system is treated as not having been made.

(4) An electronic return system must incorporate an electronic validation process.

(5) Unless the contrary is proved—

(a) the use of an electronic return system is presumed to have resulted in the making of the return only if this has been successfully recorded as such by the relevant electronic validation process,

(b) the time of making the return using an electronic return system is presumed to be the time recorded as such by the relevant electronic validation process, and

(c) the person delivering the return is presumed to be the person identified as such by any relevant feature of the electronic return system.

(6) A return made using an electronic return system on behalf of a reporting financial institution is taken to have been made by that institution, unless the institution proves that the return was made without the institution's authority."

(5) After regulation 10 insert—

"**Daily default penalty**

10A. If—

(a) a penalty under regulation 10 is assessed, and

(b) the failure in question continues after the person has been notified of the assessment,

the person is liable to a further penalty, for each subsequent day on which the failure continues, of an amount not exceeding £60 for each such day."

(6) In regulation 12(1), after "10" insert ", 10A".

(7) In regulation 13—

(a) in paragraph (1), after "10" insert ", 10A", and

(b) in paragraph (3), after "10" insert "or 10A".

(8) In regulation 14(a), after "10" insert ", 10A".

(9) After regulation 15 insert—

"**Increased daily default penalty**

15A.—(1) This paragraph applies if—

(a) a penalty under regulation 10A is assessed under regulation 13,

(b) the failure in respect of which that assessment is made continues for more than 30 days beginning with the date on which notification of that assessment is given, and