

77.—(1)(a) In this section—

“accounting period” means a period, as determined by the Collector-General from time to time in any particular case, consisting of a number of consecutive taxable periods not exceeding 6 or such other period not exceeding a continuous period of 12 months as may be specified by the Collector-General;

“authorised person” means an accountable person who has been authorised in writing by the Collector-General for the purposes of this section, and “authorise” and “authorisation” shall be construed accordingly.

(b) Where an accounting period begins before the end of a taxable period, the period of time from the beginning of the accounting period to the end of the taxable period during which the accounting period begins shall, for the purposes of this section, be treated as if such period of time were a taxable period, and any references in this section to a taxable period shall be construed accordingly.

(c) Where an accounting period ends after the beginning of a taxable period, the period of time from the beginning of the taxable period during which the accounting period ends to the end of the accounting period shall, for the purposes of this section, be treated as if such period of time were a taxable period, and any references in this section to a taxable period shall be construed accordingly.

(2) Notwithstanding section 76 (1)—

(a) the Collector-General may, from time to time, authorise in writing an accountable person for the purposes of this section unless the accountable person objects in writing to the authorisation,

(b) an authorised person may, within 9 days immediately after the 10th day of the month immediately following an accounting period—

(i) furnish to the Collector-General a true and correct return prepared in accordance with regulations of—

(I) the amount of tax which became due by the person during the taxable periods which comprise the accounting period (other than tax already paid by him or her in relation to goods imported by him or her),

(II) the amount (if any) which may be deducted in accordance with Chapter 1 of Part 8 in computing the amount of tax payable by the person in respect of those taxable periods, and

(III) such other particulars as may be specified in regulations,

and

(ii) remit to the Collector-General, at the same time as so furnishing such return, any amount of tax

payable by the person in respect of those taxable periods,

(c) in the case of an authorised person referred to in subsection (5), the amount of tax referred to in paragraph (b)(ii) shall be the balance of tax remaining to be paid (if any) after deducting from it the amount of tax paid by the person by direct debit in respect of his or her accounting period,

(d) where the authorised person concerned furnishes and remits in accordance with this subsection, the person shall be deemed to have complied with section 76 (1) in relation to those taxable periods.

(3) For the purposes of issuing an authorisation to an accountable person, the Collector-General shall, where he or she considers it appropriate, have regard to the following matters:

(a) he or she has reasonable grounds to believe that—

(i) the authorisation will not result in a loss of tax, and

(ii) the accountable person will meet all of his or her obligations under the authorisation;

and

(b) the accountable person—

(i) has been a registered person during all of the period consisting of the 6 taxable periods immediately preceding the period in which an authorisation would, if it were issued, have effect, and

(ii) has complied with section 76 (1).

(4) An authorisation may—

(a) be issued without conditions or subject to such conditions as the Collector-General, having regard in particular to the considerations referred to in subsection (3), considers proper and specifies in writing to the accountable person concerned when issuing the authorisation,

(b) without prejudice to the generality of paragraph (a), require an authorised person to remit to the Collector-General, within 9 days immediately after the 10th day of the month immediately following each taxable period (other than the final taxable period) which is comprised in an accounting period, such an amount as may be specified by the Collector-General.

(5)(a) Without prejudice to the generality of subsection (4), an authorisation may require an authorised person to agree with the Collector-General a schedule of amounts of money (in this subsection referred to as “the schedule”) which he or she undertakes to pay on dates specified by the Collector-General by monthly direct debit from his or her account with a financial institution.

(b) The total of the amounts specified in the schedule shall be the authorised person's best estimate of his or her total tax liability for his or her accounting period.

(c) The authorised person shall review on an on-going basis whether the total of the amounts specified in the schedule is likely to be adequate to cover his or her actual liability for his or her accounting period and, where this is not the case or is not likely to be the case, he or she shall agree a revised schedule of amounts with the Collector-General and adjust his or her monthly direct debit amounts accordingly.

(6) The Collector-General may, by notice in writing, terminate an authorisation and, where an accountable person requests the Collector-General to do so, he or she shall terminate the authorisation.

(7) For the purposes of terminating an authorisation, the Collector-General shall, where he or she considers it appropriate, have regard to the following matters:

(a) he or she has reasonable grounds to believe that the authorisation has resulted or could result in a loss of tax; or

(b) the accountable person—

(i) has furnished, or there is furnished on his or her behalf, any incorrect information for the purposes of the issue to him or her of an authorisation, or

(ii) has not complied with section 76 (1) or this section, including the conditions (if any) specified by the Collector-General under subsection (4) or (5) in relation to the issue to him or her of an authorisation.

(8) In relation to any taxable period in respect of which he or she has not complied with section 76 (1), a person whose authorisation is terminated shall be deemed to have complied with that section if, within 14 days of the issue to him or her of a notice of termination, he or she—

(a) furnishes to the Collector-General the return specified in section 76 (1), and

(b) remits to the Collector-General, at the same time as so furnishing such return, the amount of tax payable by him or her in accordance with section 76 (1).

(9)(a) An authorisation shall be deemed to have been terminated by the Collector-General on the date that an authorised person—

(i) ceases to trade (other than for the purposes of disposing of the stocks and assets of his or her business), whether for reasons of insolvency or any other reason,

(ii) being a body corporate, goes into liquidation, whether voluntarily or not, or

(iii) ceases to be an accountable person, dies or becomes bankrupt.

(b) An accountable person to whom this subsection relates shall, in relation to any taxable period (or part of a taxable period) comprised in the accounting period which was in operation in his or her case on the

date to which paragraph (a) relates, be deemed to have complied with section 76 (1) if he or she—

(i) furnishes to the Collector-General the return specified in subsection (2)(b), and

(ii) remits to the Collector-General, at the same time as so furnishing such return, the amount of tax payable by him or her for the purposes of subsection (2)(b) as if he or she were an authorised person whose accounting period ended on the last day of the taxable period during which the termination occurred.

(c) For the purposes of paragraph (b), the personal representative of a person who was an authorised person shall be deemed to be the accountable person concerned.