HMRC - CH81110 - The Four Types Of Inaccuracy

You must check the date from which these rules apply for the tax or duty you are dealing with. See You must check the date from which these rules apply for the tax or duty you are dealing with. See for full details.

There are four types of inaccuracy.

An inaccuracy made by a person (P) in a document may be

made despite P taking reasonable care, see CH81120, in which case a penalty will not be due, see CH81130, or

careless if the inaccuracy is due to P’s failure to take reasonable care, see CH81140, or

deliberate but not concealed if the inaccuracy is deliberate on P’s part but P didn’t make arrangements to conceal it, see CH81150, or

deliberate and concealed if the inaccuracy is deliberate on P’s part and P made arrangements to conceal it, see CH81160.

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See](https://www.gov.uk/hmrc-internal-manuals/compliance-handbook/ch81080) where P later discovers that a document they have given us contains an inaccuracy.

An inaccuracy in P’s document may be made because another person, see CH81165,

deliberately gave P false information, or

deliberately withheld information from P.

In these circumstances P may not know that the document is inaccurate. You will have established that the other person acted deliberately. But you will also need to establish how P made the inaccuracy in their document, see CH81125.

Penalties for inaccuracies are designed to address the behaviour that led to the inaccuracy. Not every inaccuracy will result in a penalty and penalties for deliberate inaccuracies will be higher than those for careless inaccuracies.

Within the deliberate category the law provides for higher penalties in the most serious cases where the person has taken steps to conceal the deliberate inaccuracy.

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