HMRC - CH84740 - Calculating Potential Lost Revenue

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.

The SA partnership return reflects the profits or losses allocated to each partner. To calculate the potential lost revenue (PLR), you should compare the revised profits or losses allocated to each partner with that originally declared on their individual returns.

The revised calculation will reflect the relief and allowances available to each partner as well as the rate of tax at which each partner is chargeable. And so the penalty imposed on each partner reflects the appropriate PLR for that partner.

For an example of calculating a partnership penalty, see CH84741.

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