HMRC - CH883650 - Penalties: Special Reduction

Where you decide to assess a penalty for dishonesty that is the minimum amount of £5,000 you must consider special reduction before you have the penalty authorised.

You will not consider special reduction if the penalty is more than £5,000.

Technical guidance about special reduction starts at CH170000.

The individual may ask you to consider a special reduction. If they do you should

explain that we can only give a special reduction in special circumstances

get full details of why they consider that special reduction is due.

You must seek all information that you consider relevant to whether there are special circumstances. You can use information powers under FA08/Sch36 to do this.

When deciding whether a special reduction should be allowed you must consider

whether special circumstances are present, see CH170600

all circumstances which you have become aware of during your investigation

whether you need to further clarify anything to establish a special circumstance.

In most cases you will conclude that there are no special circumstances. You must make a note of the reasons for that decision on the case records and write to the individual to explain why you consider that a special reduction is not due.

You must not enter into discussions regarding the amount of any special reduction.

You must submit the case to Central Policy, You must submit the case to Central Policy,[Where you decide to assess a penalty for dishonesty that is the minimum amount of £5,000 you must consider special reduction before you have the penalty authorised.

You will not consider special reduction if the penalty is more than £5,000.

Technical guidance about special reduction starts at CH170000.

The individual may ask you to consider a special reduction. If they do you should

explain that we can only give a special reduction in special circumstances

get full details of why they consider that special reduction is due.

You must seek all information that you consider relevant to whether there are special circumstances. You can use information powers under FA08/Sch36 to do this.

When deciding whether a special reduction should be allowed you must consider

whether special circumstances are present, see CH170600

all circumstances which you have become aware of during your investigation

whether you need to further clarify anything to establish a special circumstance.

In most cases you will conclude that there are no special circumstances. You must make a note of the reasons for that decision on the case records and write to the individual to explain why you consider that a special reduction is not due.

You must not enter into discussions regarding the amount of any special reduction.

You must submit the case to Central Policy, You must submit the case to Central Policy,](https://www.gov.uk/hmrc-internal-manuals/compliance-handbook/ch910000) if you consider that a special reduction may be applicable, or if an individual disputes your refusal to give a special reduction. In all cases the submission to TAA must be agreed by the authorising officer who authorises the penalty, see CH883655. if you consider that a special reduction may be applicable, or if an individual disputes your refusal to give a special reduction. In all cases the submission to TAA must be agreed by the authorising officer who authorises the penalty, see CH883655.

Your submission to TAA must include a summary of

the decisions and considerations leading to the penalty chargeable

the individual’s representations (if any) about special reduction

your considerations, decision and reasoning about whether you consider that a special reduction is appropriate.

Previous page

Next page