

*Promoter action notices***1 Promoter action notices**

- (1) An authorised officer of Revenue and Customs may issue a notice to a person if the officer reasonably suspects that—
 - (a) the person (the “recipient”) is providing goods or services to a person (the “target”) who is promoting arrangements—
 - (i) in breach of section 236B of FA 2014 (effect of stop notices), or
 - (ii) of a kind specified in regulations under [section 1 of the universal stop regulations provisions in FA 2026] (universal stop regulations), and
 - (b) the goods or services are being procured or used wholly or partly in connection with the promotion or arrangements.
- (2) For the purposes of this Chapter, a “promoter action notice” means a notice issued under subsection (1).
- (3) Before issuing a promoter action notice, an authorised officer of Revenue and Customs must—
 - (a) notify the target of the fact that the officer considers that the target is promoting arrangements—
 - (i) in breach of section 236B of FA 2014, or
 - (ii) of a kind specified in regulations under [section 1 of the universal stop regulations provisions in FA 2026], and
 - (b) allow the target 30 days from the date of notification to make representations to HMRC.
- (4) A promoter action notice may, for the purpose of impeding the target’s promotion of the arrangements, require the recipient of the notice to—
 - (a) stop providing some or all of the goods or services,
 - (b) provide the goods or services subject to specified conditions, or
 - (c) take specified steps in relation to the provision of the goods or services.
- (5) A promoter action notice must identify the target and specify—
 - (a) the goods or services in respect of which it is issued,
 - (b) the requirements applicable under subsection (4), and
 - (c) the time by or period within which the recipient must comply with requirements under subsection (4).
- (6) A time specified under subsection (5)(c) takes precedence over any statutory or regulatory requirement to provide a period of notice before terminating or modifying a contract.
- (7) A promoter action notice may not—
 - (a) require the recipient to assess whether or how particular goods or services are being procured or used in connection with the promotion or arrangements,
 - (b) restrict the provision of services that provide access to the internet, or
 - (c) restrict the provision of legal services.

- (8) An authorised officer may withdraw a promoter action notice.

2 Preliminary notices

- (1) An authorised officer of Revenue and Customs may issue a notice to a person who the officer reasonably suspects is providing goods or services as described in section 1(1).
- (2) A notice under this section must—
- (a) identify the target referred to in section 1(1);
 - (b) give reasons for the suspicion referred to in subsection (1);
 - (c) allow the recipient of the notice a period of 30 days from the date of the notice to make representations to HMRC.
- (3) A notice under this section may request information from the recipient.
- (4) A disclosure of information by the recipient in response to a request under subsection (3) does not breach—
- (a) any obligation of confidence owed by the person making the disclosure, or
 - (b) any other restriction on the disclosure of information (however imposed).
- (5) A person who receives a notice under this section may not disclose the existence or contents of the notice to—
- (a) the target identified in the notice, or
 - (b) any person who might reasonably be expected to disclose the existence or contents of the notice to the target.
- (6) An authorised officer may withdraw a notice under this section.

3 Disclosure of information by HMRC

- (1) An authorised officer of Revenue and Customs may for the purposes of this Chapter disclose—
- (a) information relating to the target identified in a promoter action notice to the recipient of the notice, or
 - (b) information relating to the target identified in a notice issued under section 2 (preliminary notices) to the recipient of the notice.
- (2) A person to whom an authorised officer of Revenue and Customs discloses information under this section—
- (a) may use it only for the purpose for which it was disclosed, and
 - (b) may not further disclose it without the consent of HMRC (which may be general or specific).
- (3) Where a person contravenes subsection (2)(b) by disclosing information relating to a person whose identity—
- (a) is specified in the disclosure, or
 - (b) can be deduced from it,

section 19 of CRCA 2005 (offence of wrongful disclosure) applies in relation to the disclosure as it applies in relation to a disclosure in contravention of section 20(9) of that Act.

- (4) Nothing in this section limits the circumstances in which information may be disclosed under section 18(2) of CRCA 2005 or under any other enactment or rule of law.

4 Appeal against a decision to issue a promoter action notice

- (1) A recipient of a promoter action notice may appeal to the tribunal against a decision to issue the notice on the grounds that—
 - (a) the recipient is not providing the goods or services specified in the notice to the target identified in the notice;
 - (b) the goods or services are not being used wholly or partly in connection with the arrangements or scheme referred to in section 1(1).
- (2) Notice of an appeal must—
 - (a) state the ground of appeal, and
 - (b) be given in writing to HMRC before the end of the period of 30 days beginning with the day on which the promoter action notice was issued.
- (3) The provisions of Part 5 of TMA 1970 relating to appeals have effect in relation to appeals under this section as they have effect in relation to an appeal against an assessment to income tax.
- (4) In this section, the “tribunal” means the First-tier Tribunal or, where determined by or under the Tribunal Procedure Rules, the Upper Tribunal.

Sanctions for failure to comply with a promoter action notice

5 Civil penalties

- (1) A recipient of a promoter action notice is liable to a penalty if the recipient—
 - (a) fails to comply with the notice, and
 - (b) does so without reasonable excuse.
- (2) The maximum penalty under this section is £1000 for each day on which the recipient failed, without reasonable excuse, to comply with the notice.
- (3) Before imposing a penalty under this section, an authorised officer of Revenue and Customs must—
 - (a) notify the recipient of the fact that the authorised officer considers subsection (1) to apply, and
 - (b) allow the recipient 30 days from the date of notification to make representations to HMRC.
- (4) In making a determination imposing a penalty under this section, an authorised officer of Revenue and Customs must have regard to—
 - (a) the likely cost to the recipient of complying with the notice;

- (b) any benefit for the recipient of not complying with the notice;
 - (c) whether and to what extent the recipient cooperated with HMRC or made efforts to comply with the notice.
- (5) A penalty under this section is to be treated as a penalty under the Taxes Acts and, accordingly, is a penalty to be determined under section 100(1) of the TMA 1970.
- (6) A penalty under this section is to carry interest in accordance with section 101 of FA 2009.
- (7) In paragraph 5(6) of Schedule 13 to FA 2020 (joint and severable liability of company directors etc) after paragraph (f) insert—
- “(g) section 5 of FA 2026 (promoters of tax avoidance schemes: promoter action notice penalties).”

6 Publication

- (1) An authorised officer of Revenue and Customs may publish or report information under this section if the officer considers that a recipient of a promoter action notice—
- (a) failed to comply with the notice, and
 - (b) did so without reasonable excuse.
- (2) An authorised officer of Revenue and Customs may publish or report—
- (a) the recipient’s name (including any trading name, previous name or pseudonym);
 - (b) any address used by the recipient;
 - (c) any other information that the authorised officer considers appropriate for the purposes of identifying the recipient or their business;
 - (d) details of the recipient’s failure to comply;
 - (e) details of any penalty imposed on the recipient under section 5.
- (3) Before publishing or reporting information under this section, an authorised officer of Revenue and Customs must—
- (a) notify the recipient of their intention to publish or report, including—
 - (i) their reasons for considering that subsection (1) applies, and
 - (ii) the information that they intend to publish or report, and
 - (b) allow the person 30 days from the date of notification to—
 - (i) comply with any requirements specified in the promoter action notice, or
 - (ii) make representations to HMRC.
- (4) Information published under this section must be withdrawn no later than 12 months after its publication.
- (5) Nothing in this section limits the circumstances in which information may be disclosed under section 18(2) of CRCA 2005 or under any other enactment or rule of law.

- (6) In this section, a reference to reporting information is a reference to reporting information to a regulator, representative body or trade body of the recipient.

7 Extension of time periods

For the purposes of sections 5 and 6, a failure of a person to do anything within a limited period of time is to be disregarded if the person did the thing within such further period of time, if any, as an officer of Revenue and Customs allowed.

8 Reasonable excuse

For the purposes of sections 5 and 6—

- (a) an insufficiency of funds is not a reasonable excuse unless attributable to events outside the person's control,
- (b) if the person relies on any other person to do anything, that is not a reasonable excuse unless the first person took reasonable care to avoid the failure,
- (c) if the person had a reasonable excuse for the failure but the excuse has ceased, the person is to be treated as having continued to have the excuse if the failure is remedied without unreasonable delay after the excuse ceased, and
- (d) reliance on legal advice is to be taken automatically not to constitute a reasonable excuse if either—
 - (i) the advice was not based on a full and accurate description of the facts, or
 - (ii) the conclusions in the advice that the person relied upon were unreasonable.

General

9 Interpretation

- (1) In this Chapter—
- “arrangements” includes any agreement, scheme, arrangement or understanding or any kind whether or not legally enforceable involving one or more transactions, and includes a proposal for arrangements;
 - “authorised officer of Revenue and Customs” means an officer of Revenue and Customs who is, or is a member of a class of officers who are, authorised by the Commissioners for the purpose of this Chapter;
 - “data protection legislation” has the same meaning as in the Data Protection Act 2018 (see section 3 of that Act);
 - “promoter action notice” has the meaning given in section 1;
 - “promotion” has the meaning it has in section 236B(1) of FA 2014 (effect of stop notices) or [section 1 of the provisions on universal stop regulations in FA 26] (ban on promotion of specified arrangements) (as the context requires);

- (2) Nothing in this Chapter authorises a disclosure of information if the disclosure would contravene the data protection legislation (but in determining whether a disclosure would do so, the powers conferred by this Chapter are to be taken into account).