STATUTORY INSTRUMENTS

2013 No. 1844

ANNUAL TAX ON ENVELOPED DWELLINGS

The Annual Tax on Enveloped Dwellings (Returns) Regulations 2013

Made - - - -	*22nd July 2013*
Laid before the House of Commons	*22nd July 2013*
Coming into force - -	*12th August 2013*

The Commissioners for Her Majesty's Revenue and Customs, in exercise of the powers conferred on them by paragraphs 1(1) and 1(2) of Schedule 33 to the Finance Act 2013 (**a**) and section 133 of the Finance Act 1999 (**b**), make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Annual Tax on Enveloped Dwellings (Returns) Regulations 2013 and come into force on 12th August 2013.

Interpretation

2. In these Regulations—

"ATED" means the annual tax on enveloped dwellings;

"the Commissioners" means the Commissioners for Her Majesty's Revenue and Customs;

"prescribed" means prescribed by the Commissioners in a published Notice as revised or replaced from time to time.

ATED returns

3.—(1) A return must be made in the manner prescribed.

(2) The return may require the chargeable person to provide the information (or any part of the information) listed in the Schedule.

(3) The Commissioners may modify or dispense with any particular requirement under this regulation where it appears to them to be reasonable to do so in an individual case.

(**a**) 2013 c.29. Paragraph 57 of Schedule 33 to the Finance Act 2013 defines "return", except where the contrary is indicated, as meaning an annual tax on enveloped dwelling return or a return of the adjusted chargeable amount. These terms are defined in sections 159 and 160 of the Act.

(**b**) 1999 c.16; although section 133 enables such regulations to be made by the Commissioners of Inland Revenue, Commissioners of Customs and Excise (or the Treasury), this must be taken as a reference to the Commissioners for Her Majesty's Revenue and Customs in line with section 50(1) of the Commissioners for Revenue and Customs Act 2005 (c.11).

Delivery of Returns

4.—(1) A return must be delivered in the prescribed manner.

(2) The Commissioners may in particular prescribe the form in which a return or related communication in relation to that return may be delivered electronically (an "electronic communication").

(3) Where provision is made for an electronic communication, the Commissioners may prescribe the method of delivery (a "prescribed electronic method").

(4) If a chargeable person has communicated with the Commissioners by means of a prescribed electronic method in respect of a return, the Commissioners must issue an electronic acknowledgement of the communication.

(5) If a person has communicated with the Commissioners by a prescribed electronic method, the Commissioners may communicate electronically with the chargeable person in respect of a return, unless they are notified by a prescribed method that the person is not, or is no longer willing to receive such communications electronically.

(6) The Commissioners may treat any information within a return as not having been provided unless it is provided in accordance with this regulation.

Validation of electronic communication

5.—(1) A prescribed electronic method must incorporate an electronic validation process.

(2) Unless the contrary is proved—

(a) the use of a prescribed electronic method will be presumed to have resulted in the making of an electronic communication to the Commissioners only if this has been successfully recorded as such by the relevant electronic validation process; and

(b) the time of making an electronic communication to the Commissioners using a prescribed electronic method will be presumed to be the time recorded as such by the relevant electronic validation process.

Jim Harra
Edward Troup

22nd July 2013 Two of the Commissioners for Her Majesty's Revenue and Customs

SCHEDULE

Regulation 3(3)

INFORMATION TO BE CONTAINED IN AN ATED RETURN

Information which the Commissioners may require a chargeable person to include in a return—

(a)	the name and correspondence address of the chargeable person;
(b)	the contact telephone number of the chargeable person;
(c)	an email address;
(d)	the business unique identifier (if any); NOTES: (a) where the chargeable person is a company, the business unique identifier is HMRC's(**a**) Corporation Tax Unique Taxpayer Reference number (**b**). If such a reference is not held then one of the following may be used: Company Registration Number – allocated by the Registrar of Companies where the company is incorporated; VAT Registration Number; Employer PAYE Reference (**c**). (b) where the chargeable person is not a company, for example a partnership, a UK tax reference number should be entered as the business unique identifier. For example: VAT Registration Number; Employer PAYE Reference; Self Assessment Unique Taxpayer Reference.
(e)	the origin and type of business unique identifier (if any); NOTE: The origin and type of business unique identifier is the name and country of the organisation that allocated the reference, plus the type of tax reference quoted, for example HMRC UK VAT Registration Number.
(f)	the scheme reference number (if any); NOTE: If using an avoidance scheme which is intended to produce an ATED advantage and the scheme promoter has disclosed it to the Commissioners as required by law, this is the Scheme Reference Number (SRN) that the promoter has been given by HMRC.
(g)	confirmation if this is the first time the chargeable person will be required to make an ATED payment to HMRC for this property;
(h)	to confirm whether this is an amended return; NOTE: An amended return changes the information on a return that has already been sent to HMRC.
(i)	to confirm whether this is a further return; NOTE: A further return may be required by law in certain circumstances, in particular where a claim to relief is no longer available, or an acquisition of a further interest in the single dwelling interest has increased its value, so that it is now chargeable in

(**a**) HMRC is defined in section 174(1) of the Finance Act 2013.

(**b**) A corporation tax unique taxpayer reference is a unique 10 digit number that companies use to make returns and payment of corporation tax to HMRC. If a company is not within the scope of UK corporation tax then it will not have a unique taxpayer reference number.

(**c**) An employer PAYE reference is the unique number that an employer is allocated by HMRC to use to send its Pay As You Earn returns to HMRC.

	a different band.
(j)	the period start date for the return; NOTE: This is the period start date the return relates to. The ATED period commences on 1 April annually.
(k)	the period end date for the return; NOTE: The ATED period ends on 31 March annually, however, if the taxpayer is making a return where the period of ownership is for a part year, then the period end date would be the last day of ownership.
(l)	whether this return must be filed within 90 days; NOTE: The filing date is normally 30 days after the taxpayer first comes within the charge to ATED. So, for example, if the taxpayer has newly purchased a dwelling the return must be filed within 30 days of acquisition. However, there are two exceptions to the 30 day rule and these are: (i) where a dwelling comes within the charge as a result of being newly built (section 124 of the Finance Act 2013) or (ii) it is a new dwelling produced from other dwellings (section 125 of the Finance Act 2013) In either of these two circumstances the return must be made within 90 days of the defined 'completion date' or occupation if earlier.
(m)	the ATED liability in pounds sterling (if there is an amount to pay);
(n)	the ATED relief code; NOTE: The list of ATED relief codes is: 1. Property rental businesses (to include the special conditions: sale, demolition, and, conversion) 2. Dwellings opened to the public 3. Property developers (including qualifying exchange of dwellings interests) 4. Property traders carrying on a property trading business 5. Financial institutions acquiring dwellings in the course of lending 6. Dwellings used for trade purposes (occupation by qualifying employees and partners) 7. Farmhouses (occupation for the purposes of carrying on a trade of farming) 8. Charitable companies (property held for qualifying charitable purposes) 9. Registered providers of Social Housing
(o)	if submitting an amended return under paragraph 3 of Schedule 33 to the Finance Act 2013 which results in a repayment, the charge reference number and reason for the repayment; NOTE: The charge reference number is the reference number from the original ATED payment.
(p)	the property title number;
(q)	the property address, postcode and date of acquisition;
(r)	the actual value of the dwelling in pounds sterling and date of valuation;
(s)	whether there has been a professional valuation in the period covered by the return;
(t)	whether a pre-return banding check has been requested and if so, the reference number;

	NOTES: (1) A request may be made to an officer of HMRC for a Pre-Return Banding Check (PRBC) where the valuation was within a ten per cent variance of a banding threshold. (2) If a PRBC was requested, a PRBC reference number is given by HMRC as part of that check.
(u)	additional address information must be provided where relief is being claimed for more than one dwelling;
(v)	total amount to be repaid;
(w)	agent details (if form is being completed by an agent of behalf of a client);
(x)	declaration – signed and dated and stating the capacity in which the person signing the declaration is completing the form.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which come into force on 12 August 2013 provide the Commissioners for Her Majesty's Revenue and Customs ("the Commissioners") with the authority to prescribe the form and content of an ATED return.

ATED is a new tax introduced through Part 3 of the Finance Act 2013.

A chargeable person must deliver to an officer of Revenue and Customs the return required in accordance with sections 159 (annual tax on enveloped dwellings return) and 160 (return of adjusted chargeable amount) of the Finance Act 2013.

These regulations specify the form and content of those returns.

Regulation 1 contains the citation and commencement.

Regulation 2 defines certain terms used in the Regulations.

Regulation 3 contains the provisions for making a return.

Regulation 4 is concerned with the delivery of returns and the provision of information by electronic communication.

Regulation 5 contains the provisions for validation of an electronic communication and incorporation of an electronic validation process.

The Schedule contains the information which the Commissioners may require a chargeable person to include in an ATED return.

A Tax Information and Impact Note covering this instrument was published on 20 March 2013 and is available on the HMRC website at http://hmrc.gov.uk/thelibrary/tiins.htm (Corporate Tax, Taxation of high-value UK residential property held by certain non-natural persons). It remains an accurate summary of the impacts that apply to this instrument.

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