Finance Act, 2008

Section 130 - Set-off: England and Wales and Northern Ireland

1) This section applies where there is both a credit and a debit in relation to a person. (2) The Commissioners may set the credit against the debit (subject to section 131 and any obligation of the Commissioners to set the credit against another sum). (3) The obligations of the Commissioners and the person concerned are discharged to the extent of any set-off under subsection (2). (4) "Credit", in relation to a person, means- (a) a sum that is payable by the Commissioners to the person under or by virtue of an enactment, or (b) a relevant sum that may be repaid to the person by the Commissioners. (5) For the purposes of subsection (4), in relation to a person, "relevant sum" means a sum that was paid in connection with any liability (including any purported or anticipated liability) of that person to make a payment to the Commissioners under or by virtue of an enactment or under a contract settlement. (6) "Debit", in relation to a person, means a sum that is payable by the person to the Commissioners under or by virtue of an enactment or under a contract settlement. (7) In this section references to sums paid, repaid or payable by or to a person (however expressed) include sums that have been or are to be credited by or to a person. (8) This section has effect without prejudice to any other power of the Commissioners to set off amounts. (9) In section 429(5) of ITA 2007 (giving through self-assessment)- (a) in the definition of "tax repayment", for "set-off that falls to be made against the individual's liabilities" substitute "relevant set-off", and (b) insert at the end- ""relevant set-off", in relation to an individual, means any set-off that falls to be made against the individual's liabilities, other than any set-off under section 130 of FA 2008." (10) Subsections (1) to (8) extend to England and Wales and Northern Ireland only.