



Appeal numbers: TC/2013/00307

TC/2013/00309 TC/2013/01019

INCOME TAX - 2006-07 partnership return amended following enquiry whether profits for that tax year understated - whether partnership

statements for the following four tax years should be amended in accordance with the principle of continuity - whether penalties charged should be upheld - held that profits not understated - all appeals allowed

FIRST-TIER TRIBUNAL TAX CHAMBER

Appellants

- and -

THE COMMISSIONERS FOR HER MAJESTY'S Respondents **REVENUE & CUSTOMS**

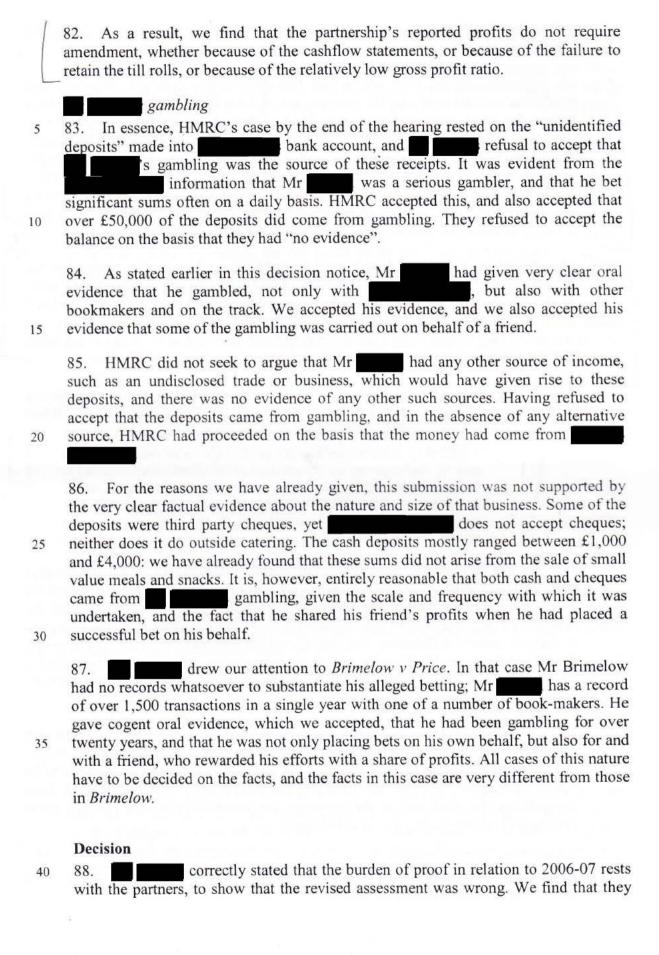
TRIBUNAL: JUDGE

Sitting in public at 45 Bedford Square, London WC1 on 27 and 28 November 2013

Mr Martyn Arthur of Forensic Accountants Limited for the Appellants

, Officer of HM Revenue & Customs, for the Respondents

© CROWN COPYRIGHT 2013



have satisfied that burden. We restore the partnership statement to its original figures, and we allow the appeal in relation to 2006-07.

- 89. HMRC's amendments to the partnership statements for the later years relied on the principle of continuity. As we have found there is no amendment to the 2006-07 partnership return, the later statements do not require amendment under that principle, and the appeals in relation to those years are also allowed.
 - Since the partners have not been negligent or careless, the appeals against the penalties for each year are also allowed.

Application for permission to appeal

- This document contains full findings of fact and reasons for the decision. Any 10 party dissatisfied with this decision has a right to apply for permission to appeal against it pursuant to Rule 39 of the Tribunal Procedure (First-tier Tribunal) (Tax Chamber) Rules 2009. The application must be received by this Tribunal not later than 56 days after this decision is sent to that party. The parties are referred to "Guidance to accompany a Decision from the First-tier Tribunal (Tax Chamber)" 15
- which accompanies and forms part of this decision notice.

20

TRIBUNAL JUDGE RELEASE DATE:

13 Deamber Zo13

25