

Temporary Permissions Regime (TPR) – Devolved Authorities levy

Chapter 7D

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7D.2 The TPR DA levy

Obligation to pay TPR DA levy

7D.2.1 **R** A *firm* must pay the *TPR DA levy* applicable to it:

- (1) in full and without deduction by 1 August (or, if later, within 30 days of the date of the invoice) in the *financial year* to which the sum relates; and
- (2) in accordance with the *rules* in this chapter.

7D.2.1A **G** Schedule 6A to the *Act* sets out a procedure to enable the *FCA* to cancel or vary the *Part 4A permission* of a *person* who it appears to the *FCA* is not carrying on a *regulated activity*. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. Where the *FCA* grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, the *TPR DA levy* in relation to the period during which the *person's Part 4A permission* was cancelled or varied applies to the *person*.

7D.2.1B **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within **FEES 7D.2.1R** and the annulment takes effect after 1 August or after the invoice referred to in **FEES 7D.2.1R(1)** has been issued, then the date for payment referred to in **FEES 7D.2.1R(1)** does not apply, but the *person* must pay the *TPR DA levy* applicable to it in full and without deduction, on the date on which the annulment takes effect.

Calculation of TPR DA levy

7D.2.2 **R** The *TPR DA levy* is calculated as follows:

- (1) identify each of the activity groups set out in Part 1 of **FEES 7D Annex 1R** that apply to the business of the *firm* for the relevant period (for this purpose, the activity groups under **FEES 7D Annex 1R** are defined in that Annex or in accordance with Part 1 of **FEES 4 Annex 1AR**);
- (2) calculate, for each of those activity groups identified in (1), the amount payable in the way set out in **FEES 7D.2.3R**; and
- (3) add each of the amounts calculated under (2).

- 7D.2.3** **R** The amount payable by a *firm* with respect to a particular activity group is calculated as follows:
- (1) calculate the size of the *firm's* tariff base for that activity group using:
 - (a) the tariff base calculations in Part 2 of ■ FEES 7D Annex 1R (including only business undertaken from a *branch* in the *UK*); and
 - (b) the valuation date requirements in Part 3 of ■ FEES 7D Annex 1R;
 - (2) the amount payable in (1) is the amount payable by the *firm* with respect to that activity group.

- 7D.2.4** **R** For the purposes of ■ FEES 7D.2.3R:
- (1) a *firm* may apply the relevant tariff bases and rates to its non-*UK* business, as well as to its *UK* business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying its *UK* business separately from its non-*UK* business in the way described in Part 2 of ■ FEES 7D Annex 1R are disproportionate to the difference in fees payable; and
 - (b) it notifies the *FCA* in writing at the same time as it provides the information concerned under ■ FEES 7D.2.3R(1), or, if earlier, at the time it pays the *TPR DA levy* applicable to it.
 - (2) for a *firm* which has not complied with ■ FEES 4A.2.6R for this period, the *TPR DA levy* is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10.

TPR DA levy commencement

- 7D.2.5** **R** The *TPR DA levy* under ■ FEES 7D relates to the whole of any *fee year* and is due for payment from the commencement of the *fee year*. Any payment made under ■ FEES 7D.2.1R is not refundable.