

What these Notes cover

These Notes cover the various types of acknowledgement, notice, assessment, determination or claims we issue on forms CT620. The description in the top right corner of the form will tell you which heading to look for on the following pages. For example, if you have received an 'Acknowledgement of a company tax return', you will find information under '*Acknowledgement CT620ACK*'.

Please read the notes for the form you have received. There may be more for you to do.

There are also important notes telling you

- when **payments** should be made including **Group Payment Arrangements**
- what we do if you make an **overpayment**
- why we might show **estimated figures**
- when and how to make an **appeal** and apply to **postpone payment** of tax
- the most important **time limits**.

Important

If an amount remains payable it should be paid on time. We will charge interest on late payments of tax.

If the company has a professional advisor or agent make sure he or she sees the form at once. If you have authorised us to do so, we will have already sent them a copy.

These Notes do not give a detailed description of the Corporation Tax Self Assessment system. If you need more information please use our website at www.hmrc.gov.uk or contact your HM Revenue & Customs office. The address and telephone number are on the form CT620.

Determination 'CT620 DET'

Please read this note if you have received a form headed '*Determination of tax payable in the absence of a company tax return*'.

This determines, to the best of our information and belief, the amount of tax payable where we have not received a company tax return, despite issuing a notice to deliver one. The determination shows how the figure is calculated and the amount payable.

You cannot appeal against this determination. Please pay any amount due. We charge interest on any amount of tax unpaid by the normal due date(s). See '*Payment of tax*' on page 3.

If you send us your company tax return you can replace the determination with your calculation of the tax payable (the self-assessment). There are time limits for doing this. See '*Time limits*' on page 4.

Acknowledgement 'CT620 ACK' or 'CT620 AMK'

Please read this note if you have received a form headed '*Acknowledgement of a company tax return*', or '*Acknowledgement of an amended company tax return*'.

The acknowledgement does not give agreement to your figures, or your return. This is because, in law, we may amend the return to correct any obvious errors or omissions, or we may enquire into it. There are time limits beyond which we cannot correct or enquire into the return. See '*Time limits*' on page 4.

An acknowledgement also shows any amount payable, or overpaid. If an amount of tax is shown as payable it is based on your calculation and should be paid. We charge interest on any amount of tax unpaid by the normal due date(s) for payment. See '*Payment of tax*' on page 3. If a repayment is shown as due to you we will contact you separately about it.

Correction 'CT620 COR'

Please read this note if you have received a form headed '*Notice of correction to a company tax return*'.

This corrects obvious errors or omissions in a company tax return or amended return. The notice shows the revised calculations and any amount payable, or overpaid. Please pay any amount due. We charge interest on any amount of tax unpaid by the normal due date(s) for payment. See '*Payment of tax*' on page 3. If a repayment is shown as due we will contact you separately about it.

You cannot appeal against the correction, but if you disagree with it you can amend the return to reject the correction. You can only do this within the time limits you have for amending the return, see *'Time limits'* on page 4. If that time limit has passed, you can give written notice of rejection to the officer who issued the notice, but only within 3 months from the date of issue of the notice of correction.

Claims 'CT620 CLA'

Please read this note if you have received a form headed *'Claims and elections not included in a company tax return'*.

This shows the effect of claims or elections not included in a company tax return (referred to as 'claims' in this note). The form shows the calculation and figures following the claim and any amount payable or overpaid. Please pay any amount due. We charge interest on any amount of tax unpaid by the normal due date(s) for payment. See *'Payment of tax'* on page 3. If a repayment is shown as due we will contact you separately about it.

We have the right, in law, to correct any obvious errors or mistakes in the claim, whether errors of principle, arithmetical mistakes or otherwise. If we have made a correction, the form will include a message saying so. We can only make corrections within 9 months from the date the claim was made by the company. If you do not agree any correction you cannot appeal, but you can amend your claim within 12 months of the date the original claim was made.

Amendment 'CT620 ASA'

Please read this note if you have received a form headed *'Notice of amendment to a self-assessment during enquiry into a company tax return'*.

This notice shows our revised calculation of the company's self assessment and any amount payable. Please pay any amount due. We charge interest on any amount of tax unpaid by the normal due date(s) for payment. See *'Payment of tax'* on page 3.

You can appeal against the notice within 30 days of the amendment being notified to the company. You should address your appeal to the officer who issued the notice of amendment. Any such appeal cannot be heard until the enquiry is completed.

Completion of an enquiry 'CT620 CLO'

Please read this note if you have received a form headed *'Notice of completion of an enquiry into a company tax return'*.

This notifies completion of an enquiry into a company tax return and shows our conclusions in figures and calculations. It also invites the company to amend its company tax return and provides a form for this.

The company has 30 days from the date of this notice to amend the return that was the subject of the enquiry, to agree with the conclusions shown and to amend any other returns to give effect to the conclusions.

You may also be able to make claims or elections that cannot be included in a company tax return by amendments or otherwise. If so, you must make such claims or elections separately.

If, after that 30 days, we are not satisfied that the return that was the subject of the enquiry is correct and complete, or for the correct period, or that all the amendments have been made, we can, within the next 30 days, amend that return or those returns as necessary.

Amendment of return 'CT620 AMD'

Please read this note if you have received a form headed *'Notice of amendment to company tax return'*.

This notice shows our revised figures and calculations and any amount payable or overpaid. Please pay any amount due. We charge interest on any amount of tax unpaid by the normal due date(s) for payment. See *'Payment of tax'* on page 3.

If you do not agree the figures you can appeal against the notice within 30 days of the amendment being notified to the company. You should address your appeal to the officer who issued the notice of amendment.

Assessment 'CT620 DIS'

Please read this note if you have received a form headed *'Assessment to make good to the Crown a loss of tax'*.

This notice shows the figures we have used in calculating the amount payable. Please pay any amount due on time. We charge interest on any amount of tax unpaid by the normal due date(s) for payment. See *'Payment of tax'* on page 3.

If you do not agree the figures you can appeal against the notice within 30 days of the date of issue of the assessment. You should address your appeal to the officer who issued the notice.

General Notes

Payment of tax

There are notes on the back of the payslip sheet that tell you how to make your payment. If the current statement shows no payment is due from the company or we are sending you a 'Notice of completion of an enquiry into a company tax return' we do not send you a payslip and there will be no payment notes.

Please see 'Group Payment Arrangements' below if the company is included in such an approved arrangement.

You should always pay any outstanding tax without delay. We charge interest on tax paid late. Interest is calculated from the date the tax is due up to the date of payment.

We pay interest if you pay tax early.

Tax is normally due 9 months and 1 day after the end of the accounting period.

Large companies that pay under the Instalment Payments Regulations have a maximum of 4 earlier due dates. For a 12 month accounting period the first instalment is due 6 months and 13 days after the start of the accounting period, the second 3 months after the first, the third 3 months after the second, and the final one 3 months and 14 days after the end of the accounting period.

Where a large company has liability to corporation tax and supplementary charge in respect of ring fence profits from oil extraction activities or rights, that tax is payable in a maximum of 3 instalments with the last one due 14 days from the end of the accounting period.

Group Payment Arrangements

Payments made by a nominated company under an accepted Group Payment Arrangement are not included on the individual company reconciliation statements. Any amount allocated to a particular company will not be shown until after the closing date for the arrangement period has passed, and the payments made by the nominated company have been apportioned to the participating companies.

Before that happens, the nominated company should make any outstanding payments due for the group, ignoring the payslip on any individual company form CT620 received before the arrangement is closed. If, exceptionally, there is still a balance due from an individual company, or an additional liability to tax arises, after the arrangement for a period has closed and the nominated company payments have been apportioned, the reconciliation statement will show the payment allocated (under 'already paid') and

the amount that remains payable by the individual company. In these circumstances you can use the CT620 payslip, or any other payment method listed on the reverse of that sheet, to make a payment. If you need more information about your particular group's arrangement please telephone Cumbernauld on 01236 783488, or Shipley on 01274 539561 as appropriate, quoting the group tax reference.

Overpayments

If you have paid more tax than is due we normally repay the overpaid amount to you automatically. We pay interest on any repayment from the appropriate due date if the tax was paid on or before that date, or from the date the tax was paid, if later. If you have already paid interest on any part of the tax we are repaying we also repay that interest automatically. Remember to give us your bank account details when you complete your company tax return form, so that we can make repayment securely, quickly, and at the lowest cost.

Estimated figures

An 'E' before a figure means that it has been estimated. We make an estimate if we do not hold enough information.

We have to estimate the company's income, losses or tax liability, as best we can, if

- it does not make a return, **or**
- we come to believe, on an enquiry into a return, that it is not correct, and we cannot agree figures with the company, **or**
- we discover, after we completed an enquiry into a return, or when it is too late to start one, that the company has been under-assessed, either because it did not disclose all the relevant facts or because we believe that the company (or someone acting on its behalf, or a partner of the company) has acted negligently or fraudulently.

Appeals

If you do not agree with the figures on a

- *Notice of amendment to a self assessment during enquiry into a company tax return*, (see 'Amendment' on page 2), **or**
- *Notice of amendment to a company tax return*, (see 'Amendment of return' on page 2), **or**
- *Notice of an assessment to make good to the Crown a loss of tax*, (see 'Assessment' on page 2),

you, or your company's advisor, may appeal against it, within the time limit, by writing to the officer whose address is shown on the notice.

We need to know

- the reference and the accounting period shown at the top right of page 1 of the notice

- why you think the figures are wrong, and
- the correct figures for any amount you think should be altered.

If you are appealing and you think the amount of tax charged is excessive, you can also ask to postpone payment of the excess. You need to tell us

- why you think the tax charged is excessive
- by how much, and
- the amount you propose to pay before your appeal is settled.

We expect you to make a fair estimate of these amounts. We will let you know whether we agree your application. If we cannot agree we will ask the Appeal Commissioners to decide.

Any tax that has not been postponed should be paid straightaway. Any amount that is postponed but is finally found to be payable will carry interest from the normal due date(s).

You cannot appeal against any other type of notice you receive on a form CT620. We give advice, under *'Determination'*, *'Correction'*, *'Claims'* (for correction of claims by us), and *'Completion of an enquiry'*, on what you can, or should, do if you do not agree our figures on those forms.

Time limits

Here is a list of the most important time limits mentioned above:

- To replace a *'Determination of tax payable in the absence of a company tax return'* you must deliver the company tax return within 5 years of the time when we could first exercise the legal power to make that determination. In most cases that means the completed return must be delivered to us within 6 years of the end of the return period.
- We can only make a *'Correction'* to a return, an amended return, or a claim within 9 months of the time when the return was delivered, the amended return made, or the claim made.
- We can open an *'Enquiry'* into a company tax return
 - for a return delivered on or before the filing date, at any time up to 1 year from the filing date
 - for a return delivered late, at any time up to and including 31 January, 30 April, 31 July or 31 October next following the first anniversary of the day on which the return was delivered.
- We can open an *'Enquiry'* into an amended return or a *'Claim'* (or election) or amended claim made outside a return at any time up to and including 31 January, 30 April, 31 July or 31 October next following the first anniversary of the day on which the amended return, or the claim, or amended claim was made.

- You can amend a company tax return within 12 months of the filing date for the return (usually this means within 2 years of the end of the return period) unless invited to do so by us, as in *'Completion of an enquiry'* or in some other special circumstances.
- You can only make an amendment to a *'Claim'* made outside the return within 12 months of the date the claim was made.
- Appeals can only be made:
 - within 30 days of the date an *'Amendment to a self assessment during enquiry into a company tax return (see 'Amendment' on page 2), or a 'Notice of amendment to a company tax return' (see 'Amendment of return' on page 2)* was notified to you, **or**
 - within 30 days of the date of issue of *'Notice of assessment to make good to the Crown a loss of tax' see 'Assessment' on page 2'.*