

Beta This part of GOV.UK is being rebuilt – [find out what beta means \(/help/beta\)](#)

HMRC internal manual

Corporate Intangibles Research and Development Manual

From: [HM Revenue & Customs](#)
([/government/organisations/hm-revenue-customs](#))

Published 11 March 2016

Updated: 10 September 2025 - [See all updates](#)

[Back to contents](#) > [CIRD10000](#) > [CIRD40500](#)

CIRD40740 - Intangible assets: groups: degrouping: unpaid degrouping charge: recovery from others: procedures

CTA09/PART8/S797 and S798

Time limit for service of notice

A notice under S797 must be served within three years of the date on which the amount of CT payable for the accounting period is finally determined.

- If the tax is chargeable as a result of a Revenue determination under FA98/SCH18/PARA36 - 37, then the three-year period begins with the date of the determination.
- If the unpaid tax is charged in a self-assessment that replaces a determination, the relevant date is given by the rules in CTA09/S798.
- If the unpaid tax is charged in a discovery assessment (FA98/SCH18/PARA41), then the three year period starts from the date the tax becomes due and payable, unless there is an appeal, in which case the three year period runs from the date the appeal is finally determined.

Contents of notice

The notice must:

- state the amount of the tax referable to the degrouping charge,
- state the amount of CT which remains unpaid for the relevant accounting period, and the date when it became payable, and
- require the person to pay the 'relevant amount' within 30 days of the service of the notice.

The 'relevant amount' is the lesser of:

- the amount which remains unpaid of the CT assessed on the taxpayer company for the accounting period in which the gain accrued,

and

- an amount equal to CT on the amount of degrouping charge.

If a person is required to pay an amount by a notice under S798 it may be recovered from them as if it were tax due on an assessment and duly demanded from them. As for an assessment there is a right of appeal. The person subject to the demand is not entitled to any deduction for any amount paid as a result of that notice for the

purposes of computing any income, profits or losses for any tax purpose. The payer is entitled to recover any amount paid from the taxpayer company.

Person to issue the notice

Any officer of HMRC may issue the notice (S795(2)). In practice this will include any inspector acting in accordance with their duties. Guidance can be sought from HMRC's Cross-Cutting Group as to whether other officers are covered, if necessary.

← Previous page

(/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird40730)

→ Next page

(/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird40750)



OGI

All content is available under the [Open Government Licence v3.0](#), except where otherwise stated



© Crown copyright