

Returns, payment and collection of advance corporation tax. FA83 s50; FA90 s55; FA93 s41; FA97 s146(2) and Sch9 PtII 171.—(1) This section shall apply for the purpose of regulating the time and manner in which advance corporation tax shall be accounted for and paid.

(2) A company shall make for each of its accounting periods in accordance with this section a return to the inspector of the distributions made and distributions received by the company in that period and of the advance corporation tax (if any) payable by the company in respect of the distributions made by it.

(3) A return for any period for which a return is required to be made under this section shall be made within 9 months from the end of that period.

(4) A return under this section need not be made by a company for an accounting period in which it has not made a distribution.

(5) (a) The return made by a company for an accounting period shall show—

(i) the amount of the distributions made by the company in the period and the amount of the tax credits in respect of those distributions,

(ii) the amount (if any) of the distributions received by the company in the period and the amount of the tax credits in respect of those distributions,

(iii) the amount of any tax credit carried forward to the accounting period and treated under section 162 (4) as a tax credit in respect of a distribution received by the company in that period, and

(iv) the amount (if any) of advance corporation tax payable by the company in respect of the distributions made by it in the period.

(b) The return shall specify whether any amount of tax credits is included pursuant to paragraph (a)(i) in respect of distributions treated under this Chapter as not being distributions for the purposes of section 159 and, if so, the amount so included.

(c) The return shall specify whether any amount of tax credits is included pursuant to paragraph (a)(ii) in respect of distributions treated under this Chapter as not being distributions for the purposes of section 162 and, if so, the amount so included.

(d) Where any amount is included in the return pursuant to subparagraph (ii) or (iii) of paragraph (a), the inclusion shall be treated as a claim by the company to have it taken into account in determining the amount of advance corporation tax payable, and any such claim shall be supported by such evidence as the inspector may reasonably require.

(6) (a) Advance corporation tax in respect of any distribution required to be included in a return under this section shall be due within 6 months from the end of the accounting period for which the return is

required to be made under subsection (3) and shall be paid to the Collector-General, and advance corporation tax so due shall be payable by the company without the making of any assessment; but advance corporation tax which has become so due may be assessed on the company (whether or not it has been paid when the assessment is made).

(b) Notwithstanding paragraph (a), where the last day of the period within which the advance corporation tax is due is a day after the 28th day of the month in which that period ends, the advance corporation tax shall be due not later than the 28th day of that month.

(7) Where it appears to the inspector that there is a distribution which ought to have been and has not been included in a return, or where the inspector is dissatisfied with any return, the inspector may make an assessment on the company to the best of his or her judgment, and any advance corporation tax due under an assessment made by virtue of this subsection shall be treated for the purposes of interest on unpaid tax as having been payable at the time when it would have been payable if a correct return had been made.

(8) Where a company makes a distribution on a date which does not fall within an accounting period of the company, an accounting period of the company shall be deemed to end on that date and the company shall make a return of that distribution within 6 months from that date, and the advance corporation tax for which the company is accountable in respect of that distribution shall be due at the time by which the return is to be made.

(9) Where any item has been incorrectly included in a return under this section as a distribution made or received by a company, the inspector may make any such assessments, adjustments or set-offs as may in his or her judgment be required for securing that the resulting liabilities to tax, including interest on unpaid tax, whether of the company or of any other person, are in so far as possible the same as they would have been if the item had not been so included.

(10) (a) Advance corporation tax assessed on a company under this section shall be due within one month after the issue of the notice of assessment (unless due earlier under subsection (6) or (8)), subject to any appeal against the assessment; but no such appeal shall affect the date when tax is due under subsection (6) or (8).

(b) On the determination of an appeal against an assessment under this section, any tax overpaid shall be repaid.

(11) (a) The provisions of the Corporation Tax Acts relating to—

(i) assessments to corporation tax,

(ii) appeals against such assessments (including the rehearing of appeals and the statement of a case for the opinion of the High Court), and

(iii) the collection and recovery of corporation tax,

shall, in so far as they are applicable, apply to the assessment, collection and recovery of advance

corporation tax under this section.

(b) Any tax payable in accordance with this section without the making of an assessment shall carry interest at the rate of 1.25 per cent for each month or part of a month from the date when the tax becomes due and payable until payment.

(c) Subsections (2) to (4) of section 1080 shall apply in relation to interest payable under paragraph (b) as they apply in relation to interest payable under section 1080.

(d) In its application to any tax charged by any assessment to advance corporation tax in accordance with this section, section 1080 shall apply as if subsection (1)(b) of that section were deleted.

(12) Sections 861 (2)(b), 884 (5), 1071 and 1072 shall, with any necessary modifications, apply in relation to a return under this section as they apply in relation to a return under section 884.

(13) In this section, references to a distribution or distributions do not include references to a distribution or distributions made by a company not resident in the State.