HMRC - CFM98657 - Company: Provision Of Information To Other Group Companies Where There Is No Reporting Company

TIOPA10/SCH7A/PARA61

Where there is no appointment of a reporting company in effect for a worldwide group, but interest restrictions arise, a UK group company will need information from other members of the group to enable it to compute the restriction due and submit an accurate company tax return. Just as the TIOPA10/PARA60 provides a power to enable a reporting company to require other members of the group to provide information to assist it in in preparing an interest restriction return CFM98510, PARA 61 provides an analogous power to a UK group company.

This power may be deployed if:

No appointment of a reporting company has effect for a period of account and the time limit for an appointment by the group has expired (6 months after the end of the period of account); or

An appointment of a reporting company has effect, but no interest restriction return has been submitted and the filing date for an interest restriction return has passed (12 months after the end of the period of account or, if later, 3 months after the appointment of the reporting company - PARA7(5)).

To this end, a company that was a UK group company (C) for all or part of the period of account may serve a notice on any other similar company. The notice will require the other company to provide such information as is needed for C to determine whether it is required to leave amounts of tax-interest out of account and, if so, how much. The notice must specify the information that is needed.

This duty to provide information is enforceable by the company that gives the notice requiring the information, and not by HMRC (PARA61(6)).

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