HMRC - CFM98730 - Procedure: Service Of A Notice Of Enquiry

TIOPA10/SCH7A/PARA40

The corporate interest restriction provisions have enquiry provisions based around an enquiry into an interest restriction return. The procedures are based on those in FA98/SCH18, but adapted to fit the context.

An officer of Revenue and Customs may open an enquiry into an interest restriction return submitted by a reporting company by serving a notice of enquiry on the reporting company - TIOPA10/SCH7A/PARA40. Such an enquiry is quite separate from any enquiry into the company tax return of a member of the group, and the opening of such an enquiry does not prevent the opening of an enquiry into the company tax return of a member of the group. For limitations on the scope of an interest restriction return enquiry in respect of matters included in a company tax return, see CFM98760.

An enquiry may be opened into a revised return even if no enquiry was opened into the return it replaces.

Normally, an interest restriction return that has been subject to an enquiry cannot be subject to another. If a revised return is submitted after conclusion of an enquiry, that is a new return and can be the subject of an enquiry, but in this case the scope of the enquiry is restricted to the revisions - PARA43(5). For the effect of the submission of a revised return during the course of an enquiry, see CFM98780.

Next page