HMRC - CFM98840 - Procedure: Closure Notices When Incorrect Group And Correct Group Has No Reporting Company

TIOPA10/SCH7A/PARA53

TIOPA10/SCH7A/PARA53 deals with the scenario where an officer of Revenue and Customs concludes that one or more of the members of a group for which an interest restriction return was submitted were not members of the group of which the reporting company is a member and also are

The circumstances needed for PARA53 to apply are:

A closure notice is issued to the reporting company that has submitted the return under enquiry.

The closure notice designates a period of account of a different group, the “new group”

The reporting company is

PARA51 CFM98830 does

This fourth condition should be read as meaning that PARA51 does not apply to the new group. In other words, unlike where PARA51 applies, the new group in question is not one for which a reporting company has been appointed.

When PARA53 applies, the officer of HMRC may appoint an eligible company (non-dormant company that was a UK group company for at least part of the period) as reporting company for the new group, and has three months to do so.

Once appointed, the reporting company for the new group will have three months to submit an interest restriction return -PARA7(5)(b) and the return will be valid if received within that time - PARA7(6)(b).

It is possible that in complex scenarios there could be a new group to which PARA51 applies, and also one or more new groups to which PARA53 applies.

In a scenario where PARA53 applies, to the extent that the existing reporting company is also required to submit returns (in addition to the appointment of a different reporting company), the requirements of PARA50 apply to these returns.

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