HMRC - COM71051 - Appeals Against Jeopardy Amendments (Action Guide)

To dispose of appeals against jeopardy amendments at the close of an enquiry in a non-contract settlement case, consider steps 1 - 14 below. The guide is presented as follows.

Jeopardy amendment under appeal - revenue amendment made

1. If the company has not withdrawn its appeal against the jeopardy amendment or agreed to treat it as determined by agreement under Section 54 TMA 1970 before you conclude your enquiry and make a revenue amendment, write to the company asking them to withdraw their appeal or confirm that it may be treated as being determined by agreement under Section 54 TMA 1970.

2. When you use function RAMA ‘prepare a closure notice with rev amdt’ option to record the closure and revenue amendment on COTAX, you should:

select ‘Section 54’ in the ‘how was the appeal determined?’ field on screen COT121G

select ‘N’ in the ‘appeal determination message required?’ field on screen COT121G. The notice of amendment to a company tax return form CT620(AMD) will be printed without an appeal determination message.

3. On the day that the revenue amendment is made, use function MRSC (Maintain Repay / Realloc Signals (Company)) to inhibit reallocations or repayments to or from any AP of the company.

4. On the following day, use function HAPP (Handle Appeal) to informally standover a like amount of tax on the revenue amendment as was postponed for recovery on the jeopardy amendment.

5. If the tax charged by the revenue amendment is more than or equal to that previously postponed on the jeopardy amendment, informally standover a like amount of tax on the revenue amendment as was postponed on the jeopardy amendment.

If the tax charged by the revenue amendment is less than that previously postponed on the jeopardy amendment, informally standover all the tax on the revenue amendment.

6. Put the file on special B/F until the 30 day appeal period from the date of notification of the revenue amendment has expired.

Jeopardy amendment under appeal - revenue amendment not appealed

7. When you make a revenue amendment and the company does not appeal the revenue amendment within 30 days of the date of notification and does not reply, or replies but will not withdraw its appeal against the jeopardy amendment, take the following steps.

If you are the decision maker, follow the advice in ARTG2210 onwards and ARTG2700 onwards to settle the appeal against the jeopardy amendment.

If the company refers the appeal to the Tribunal, the Business Review Unit should seek determination in the amount of the revenue amendment and explain that this is essentially an administrative procedure to dispose of the appeal against the jeopardy amendment and to give the company finality for the return period.

8. Once the appeal against the jeopardy amendment has been formally determined:

use function HAPP to remove the informal standover that you made on the revenue amendment at steps 4 and 5 above, referring to COM10070 if necessary for guidance on how to do that

use function MRSC to uninhibit reallocations or repayments to or from any AP of the company.

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Jeopardy amendment under appeal - revenue amendment appealed

9. When you make a revenue amendment and the company appeals it, you should use function HAPP to:

remove the informal standover that you made on the revenue amendment at steps 4 and 5 above

record the appeal and any postponement application made against the revenue amendment.

first, determine the appeal against the revenue amendment

then determine the appeal against the jeopardy amendment in the same figures.

If necessary, explain to the Tribunal that this is essentially an administrative procedure to dispose of the appeal against the jeopardy amendment and to give the company finality for the return period.

Once the appeals have been formally determined:

use function HAPP to record the outcome of the appeal against the revenue amendment and to remove any informal standover that you made on the revenue amendment at step 11

use function MRSC to uninhibit reallocations or repayments to or from any AP of the company.

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