HMRC - COM71092 - Closing An Enquiry: Non-Contract Settlement Cases (Action Guide)

To close an enquiry in a non-contract settlement case, consider steps 1 - 9 below. The guide is presented as follows.

Amendment anticipating conclusions in a closure notice

1. If you receive a revised computation that fully and accurately anticipates your conclusions before you have stated them in a closure notice with revenue amendment, follow the COM71093 action guide.

Enquiry does not result in an amendment to the return

2. If the enquiry does not result in an amendment to the return, follow the COM71093 action guide.

Enquiry into return for the wrong period

3. If you conclude that a company tax return under enquiry is for the wrong period, you must amend the company’s AP record to show the correct period or periods before you issue the closure notice with revenue amendment. See COM71060 for guidance on doing that.

Issuing the closure notice with COTAX

4. Do not use function RAMA (Record / Amend Assessment) if you are settling the enquiry by contract settlement. Follow the guidance at COM71120 and the Enquiry Manual at EM6000 onwards instead.

Do not use function RAMA (Record / Amend Assessment) if you are issuing a manual closure notice with revenue amendment. See the COM71093 action guide instead.

5. Otherwise, use function RAMA, which displays the details captured from the company’s return or as changed by later amendments.

See COM71040 and COM71050 if those details include the figures from a jeopardy amendment made during the enquiry.

Note that the figures do not include the figures from any taxpayer amendment made during the enquiry, as that does not take effect until after the enquiry is completed. See COM71020 for more information.

Amend the figures on RAMA screen COT121N to reflect the outcome of the enquiry and include the adjustments required by any deferred taxpayer amendment.

If a taxpayer amendment was received during the enquiry and for some reason you have not considered the amendment during your enquiry, you should say so in the closure notice using the free format message field.

6. If COTAX displays a penalty action dialogue box at the end of function RAMA, decide whether to allow the penalty to be issued automatically or whether to review it manually.

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Appeals against jeopardy amendments

7. If there is an open appeal against a jeopardy amendment you need to dispose of it. See COM71050 for guidance on how to do that.

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Amendment or claim received after HMRC enquiry concluded

8. If the company claims to make or withdraw group relief and capital allowances after you have concluded your enquiry, see COM71020 for guidance.

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Interaction with Caseflow or CQI

9. If your office uses Caseflow or CQI, update the appropriate system with the settlement details.

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