HMRC - CTM94120 - CTSA: Companies Act Extension: Examples

Example 1

Company E, a private company, makes up accounts for the accounting period ended 31 December 1997.

A notice to deliver specifying the period 1 January 1997 to 31 December 1997 is served on 1 February 1998.

The Registrar of Companies allows an extension of 3 months to the period for delivering accounts.

The filing date for the company tax return is 31 December 1998 (12 months after the end of the return period).

If the company delivers its return by 31 January 1999 (13 months after the end of the period of account, as allowed by the Registrar), it will not incur a fixed penalty.

Example 2

Company F, a private company, makes up accounts for the accounting period ended 31 December 1997.

A notice to deliver specifying the period 1 January 1997 to 31 December 1997, is served on 1 February 1998.

The Secretary of State allows an extension to the period for delivering accounts to 30 April 1999.

The filing date for the company tax return is 31 December 1998.

If the company delivers the return before 30 April 1999 it will not incur a fixed penalty.

If, however, the company does not deliver its return until 31 May 1999 it is liable to a penalty of £200. This is because of failure to deliver the return within 3 months of the filing date, 31 December 1999.

When a company advises you of a Companies Act extension see the guidance on notifying the extension to the computer in the On-line Company Tax Manual (COM) in the ‘Penalties’ business area.

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