HMRC - CTM95140 - Corporation Tax Self-Assessment (CTSA): Assessments: Recovery Of Excessive Repayments

FA98/SCH18/PARA52

Paragraph 52 allows you to recover an excessive repayment made to a company.

It applies the provisions of FA98/SCH18/PARA41 to 48 (discovery assessments and discovery determinations) to excessive repayments as if they were unpaid tax. The exceptions to this are when:

the over-repayment is assessable under those paragraphs already

the amount is interest over-repaid that is recoverable under ICTA88/S826 (8A).

The amounts that you can recover under Paragraph 52 include amounts paid by way of:

repayment of CT, IT or tax credit,

repayment supplement under ICTA88/S825

R & D expenditure credit under Chapter 6A of Part 3 of CTA2009

R & D tax credit under Chapter 2 or 17 of Part 13 of CTA2009

land remediation tax credit or life assurance company tax credit under Part 14 of CTA2009

film tax credit under Part 15 of CTA2009

television tax credit under Part 15A of CTA2009

Video game tax credit under Part 15B of CTA2009

repayment interest paid under ICTA88/S826.

For the purposes of Paragraph 52 you regard an amount allowed by set-off as an amount paid. You also regard an amount as a repayment if it was intended as a repayment, even if it exceeds the amount paid by the company.

An assessment to recover:

excessive repayments of tax for an accounting period, or

interest on repayments,

is treated as an assessment to tax for that accounting period.

You cannot make these assessments in COTAX. For guidance on making the assessment see [## FA98/SCH18/PARA52

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You cannot make these assessments in COTAX. For guidance on making the assessment see](https://www.gov.uk/hmrc-internal-manuals/cotax-manual/com23130) onwards. The particulars to enter on the assessment are ‘Paragraph 52 Schedule 18 Finance Act 1998’. Show the tax as payable now.

Interest

Amounts charged in assessments made under Paragraph 52 carry interest under TMA70/S87A from the date on which the repayment being recovered was made until the date of payment.

Time limit

FA98/SCH18/PARA53 prescribes the time limits for making assessments under Paragraph 52. The time limit is the latest of:

four years after the end of the accounting period to which it relates

the end of the accounting period following that in which the amount being recovered was paid

three months after the completion of an enquiry into a relevant company tax return.

This time limit does not overrule the time limits in Paragraph 46(2) and (2A) for making an assessment in the case of loss of tax brought about carelessly or deliberately.

Previous page