HMRC - CTM95460 - CTSA: CTPF: Estimated Determination

If you are not satisfied with a return or have not received a return you can make a determination or determinations to the best of your judgement. These can include Nil determinations (TMA70/S41A (8)).

The value of this power is that it enables you to expedite the settlement of the affairs of a loss-making company, either by a determination, which becomes final or by provoking an appeal.

You should only make estimated determinations when:

a figure is required for taking a dispute before the tribunal,

you need to provoke an appeal so that you can ask the tribunal to use their information powers,

in the absence of a return you consider it inappropriate to make an estimated assessment (or that such an assessment is unlikely to force a return),

the company has failed to deliver a return for two successive periods. When reviewing the position of the second period at the 18-month point, you should consider making an estimated Nil determination for the first period if this has not already been done.

You can make an estimated determination in the same circumstances and at the same time as you can make an estimated assessment. If you need to make both for an accounting period it makes sense to make them at the same time.

You should reserve Nil determinations for cases in which either:

you do not think that the combination of estimated assessment and penalties is likely to force submission of a return,

or

that combination has already not worked because the return for the previous accounting period is still outstanding 18 months after the end of the following accounting period.

Previous page

Next page