HMRC - CTM97510 - CTSA: Overpayment

When a nominated company has made instalment payments on behalf of any participating companies and subsequently has grounds for believing that, by reason of a change in their circumstances:

the total liability for the accounting period is likely to be less than previously calculated,

and

the total amount it has paid is greater than the amount it has, on its latest estimate, so far become due to pay,

it may apply for repayment of the excess.

The nominated company must specify in the claim:

the amount that it thinks is repayable,

and

the grounds for that belief.

When it makes a claim it must specify which payment or payments (or parts thereof) it wants repaid.

The group payment teams handle these claims and give effect to the repayments. You should forward any such claims received locally to the relevant group payment team as a matter of urgency. Repayments will not normally be made if the filing date for the accounting period has passed but there are still returns outstanding. For Bank Levy cases, the group payment team will liaise with the Bank Levy Specialist Team before proceeding with any repayment - see the Bank Levy Manual (BKLM)

Note: This is different from the position where a quarterly instalment payer outside a group payment arrangement claims a repayment under Paragraph 6 of The Corporation Tax (Instalment Payments) Regulations 1998. Companies should make those claims to the technical caseworker.

Any repayment is made to the nominated company. No credit interest is added to the repayment when it is made. Instead, any credit interest due is taken into account in working out the balance due from, or repayable to the nominated company at closure.

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