HMRC - IPT09150 - Assessments: What Time Limits Mean

The time limits which cover how soon assessments should be made, and what periods they can cover, work together.

There are two possibilities, depending on how soon an assessment is made. These possibilities are as follows:

Accordingly, in order to protect the revenue as fully as possible, assessments should be made and notified to the insurers promptly as possible - and certainly within one year of evidence of facts.

It will be obvious that the greater the time taken to make an assessment, the greater the risk of periods which are almost three years old already at the time of the visit going “out of time” and beyond the scope of our power to assess. The one year limit should therefore be regarded as an absolute maximum and the making of assessments should always be treated - subject to the need to obtain confirmation of the facts and figures - as a priority. This reduces the possibility of the insurer criticizing you for delay.

Where a visit results in two or more lines of enquiry, a separate assessment should be made in respect of each line of enquiry once consideration of that point is complete. Do not wait to issue an assessment for problem A until you have also resolved problem B.

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