HMRC - OT21215 - Management Provisions

CTA10\S332 (formerly ICTA88\S501B)

FA02\S92 and the ICTA88\S501B together contained the management provisions for the supplementary charge, The legislation is now at CTA10\S332. The supplementary charge is treated as if it were CT and all provisions relating to the administration of CT are treated as applying to the supplementary charge.

The supplementary charge forms part of a company’s self-assessment. There is an extra box for it on the CT600 return and this is linked to a supplementary page containing the calculation.

CA10\S332 provides that;

all enactments relating to returns, assessments, recovery, appeals etc in the Taxes Acts applying generally to CT shall be taken as applying to the supplementary charge - CTA10\S332(1),

Taxes Management Act 1970 has effect on the basis that any reference to CT in that act include reference to the supplementary charge - CTA10\S332(4), and

in any regulations relating to the treatment of unrelieved surplus ACT, references to CT do not include any part of the supplementary charge and references to profits do not include adjusted ring fence profits - CTA10\S332(5).

There are also special rules to bring the supplementary charge into the provisions for instalment payments

TMA70\S59E(11) brings the supplementary charge within the provisions determining when CT is due and payable and the regulations relating to payment by instalments,

FA98\Sch18\Para1 brings the supplementary charge into the definition of tax for the purposes of company tax returns etc.

FA98\Sch18\Para8 adds an additional step to the calculation of tax payable to take account of the supplementary charge.

Technical amendments were also made to the CT Instalment payment regulations (Corporation Tax (Instalment Payments) Regulations 1998 SI 1998/3175) to ensure the provisions relating to the supplementary charge, as well as corporation tax on ring fence profits, are separate from corporation tax on non ring fence profits. SI 1998/3175 Reg 5A was introduced for accounting periods ending on or after 1 July 2005.

Previous page

Next page