



Taxes Management Act 1970

1970 CHAPTER 9

[^{F1}PART VA U.K.]

PAYMENT OF TAX

Textual Amendments

- F1** Pt. 5A inserted (with effect in accordance with s. 199(2)(3) of the amending Act) by [Finance Act 1994 \(c. 9\)](#), s. 192 (with s. 198(1)); S.I. 1998/3173, art. 2

Modifications etc. (not altering text)

- C1** Pt. 5A modified (with effect in accordance with s. 117(4)(5) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 18 para. 39\(2\)\(a\)](#) (with [Sch. 18 para. 59\(2\)](#)); S.I. 1998/3173, art. 2

[^{F2}Income tax and capital gains tax]

Textual Amendments

- F2** S. 59A cross-heading inserted (with effect in accordance with s. 117(4)(5) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 19 para. 29\(1\)](#); S.I. 1998/3173, art. 2

59A Payments on account of income tax. U.K.

- (1) [^{F3}Subject to subsection (9) below,] this section applies to any person (the taxpayer) as regards a year of assessment if as regards the immediately preceding year—
- he [^{F4}is assessed] to income tax under section 9 of this Act in any amount, and
 - that amount (the assessed amount) exceeds the amount of any income tax which has been deducted at source, and
 - the amount of the excess (the relevant amount) is not less than such amount as may be prescribed by regulations made by the Board, and

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- (d) the proportion which the relevant amount bears to the assessed amount is not less than such proportion as may be so prescribed.
- (2) Subject to subsection (3) below, the taxpayer shall make two payments on account of his liability to income tax for the year of assessment—
- (a) the first on or before the 31st January in that year, and
 - (b) the second on or before the next following 31st July;
- and, subject to ^{F5}subsections ^{F6}(4) to (4B)] below, each of those payments on account shall be of an amount equal to 50 per cent. of the relevant amount.
- (3) If, at any time before the 31st January next following the year of assessment, the taxpayer makes a claim under this subsection stating—
- (a) his belief that he will not be assessed to income tax for that year, or that the amount in which he will be so assessed will not exceed the amount of income tax deducted at source, and
 - (b) his grounds for that belief,
- each of the payments on account shall not be, and shall be deemed never to have been, required to be made.
- (4) If, at any time before the 31st January next following the year of assessment, the taxpayer makes a claim under this subsection stating—
- (a) his belief that the amount in which he will be assessed to income tax for that year will exceed the amount of income tax deducted at source by a stated amount which is less than the relevant amount, and
 - (b) his grounds for that belief,
- the amount of each of the payments on account required to be made shall be, and shall be deemed always to have been, equal to 50 per cent. of the stated amount.
- [If as regards the year immediately preceding the year of assessment—
- ^{F7}(4A) (a) the taxpayer is assessed to income tax under section 9 of this Act after the date on or before which either payment on account is required to be made, or
- (b) his assessment to income tax under that section is amended after that date,
- then, subject to subsections (3) and (4) above ^{F8}and subsection (4B) below] and to any subsequent application of this subsection, the amount of the payment on account shall be, and shall be deemed always to have been, equal to 50 per cent. of the relevant amount as determined on the basis of the assessment or, as the case may be, the assessment as amended.]
- [If as regards the year immediately preceding the year of assessment the taxpayer is
- ^{F9}(4B) assessed to income tax under section 29 of this Act in any amount, then, subject to subsections (3) and (4) above and to any subsequent application of this subsection, the amount of each payment on account shall be, and shall be deemed always to have been, the total of—
- (a) the amount which, immediately before the making of the assessment under section 29, is the amount of that payment, and
 - (b) an amount equal to 50 per cent. of the amount in which he is assessed under that assessment;
- and if that assessment is varied, the amount in which he is assessed under it shall be taken for the purposes of paragraph (b) above to be the amount of the assessment as varied.]

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- (5) Where the taxpayer makes a claim under subsection (3) or (4) above [^{F10}or subsection (4A) [^{F11}or (4B)] above applies], there shall be made all such adjustments, whether by the repayment of amounts paid on account [^{F12}, by the making of payments or further payments on account] or otherwise, as may be required to give effect to the provisions of that subsection.
- (6) Where the taxpayer fraudulently or negligently makes any incorrect statement in connection with a claim under subsection (3) or (4) above, he shall be liable to a penalty not exceeding the difference between—
- (a) the amount which would have been payable on account if he had made a correct statement, and
 - (b) the amount of the payment on account (if any) made by him.
- (7) The provisions of the Income Tax Acts as to the recovery of income tax shall apply to an amount falling to be paid on account of tax in the same manner as they apply to an amount of tax.
- [^{F13}(8) In this section, in relation to a year of assessment, any reference to the amount of any income tax deducted at source is a reference to the amount by which the aggregate of the following, namely—
- (a) any income tax deducted or treated as deducted from any income, or treated as paid on any income, in respect of the year, and
 - (b) any amounts which, in respect of the year, are to be deducted at source under [^{F14}PAYE regulations] in subsequent years, or are tax credits to which section 231 of [^{F15}the principal Act] applies,
- exceeds the aggregate of any amounts which, in the year, are deducted at source under [^{F16}PAYE regulations] in respect of previous years.
- (9) If, at any time before the 31st January next following a year of assessment, an officer of the Board so directs—
- (a) this section shall not apply, and shall be deemed never to have applied, as regards that year to any person specified in the direction; and
 - (b) there shall be made all such adjustments, whether by the repayment of amounts paid on account or otherwise, as may be required to give effect to the direction.]

[[^{F18}PAYE regulations] may provide that, for the purpose of determining the amount of

^{F17}(10) any such excess as is mentioned in subsection (1) above, any necessary adjustments in respect of matters prescribed by the regulations shall be made to the amount of tax deducted at source under [^{F19}PAYE regulations].]

Textual Amendments

- F3** Words in s. 59A(1) inserted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [s. 108\(1\)\(a\)](#) (which amendment is saved (22.7.2004) by [Finance Act 2004 \(c. 12\)](#), [Sch. 17 para. 6\(1\)](#) (with [Sch. 17 para. 6\(2\)](#)))
- F4** Words in s. 59A(1)(a) substituted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [s. 108\(1\)\(b\)](#) (which amendment is saved (22.7.2004) by [Finance Act 2004 \(c. 12\)](#), [Sch. 17 para. 6\(1\)](#) (with [Sch. 17 para. 6\(2\)](#)))
- F5** Words in s. 59A(2) substituted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [s. 108\(2\)](#) (which amendment is saved (22.7.2004) by [Finance Act 2004 \(c. 12\)](#), [Sch. 17 para. 6\(1\)](#) (with [Sch. 17 para. 6\(2\)](#)))

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- F6** Words in s. 59A(2) substituted (with effect in accordance with Sch. 18 para. 17 of the amending Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 18 para. 2\(2\)](#)
- F7** S. 59A(4A) inserted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [s. 108\(3\)](#) (which amendment is saved (22.7.2004) by [Finance Act 2004 \(c. 12\)](#), [Sch. 17 para. 6\(1\)](#) (with [Sch. 17 para. 6\(2\)](#)))
- F8** Words in s. 59A(4A) inserted (with effect in accordance with Sch. 18 para. 17 of the amending Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 18 para. 2\(3\)](#)
- F9** S. 59A(4B) inserted (with effect in accordance with Sch. 18 para. 17 of the amending Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 18 para. 2\(4\)](#)
- F10** Words in s. 59A(5) inserted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [s. 108\(4\)\(a\)](#) (which amendment is saved (22.7.2004) by [Finance Act 2004 \(c. 12\)](#), [Sch. 17 para. 6\(1\)](#) (with [Sch. 17 para. 6\(2\)](#)))
- F11** Words in s. 59A(5) inserted (with effect in accordance with Sch. 18 para. 17 of the amending Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 18 para. 2\(5\)](#)
- F12** Words in s. 59A(5) inserted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [s. 108\(4\)\(b\)](#) (which amendment is saved (22.7.2004) by [Finance Act 2004 \(c. 12\)](#), [Sch. 17 para. 6\(1\)](#) (with [Sch. 17 para. 6\(2\)](#)))
- F13** S. 59A(8)(9) substituted for s. 59A(8) (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [s. 108\(5\)](#) (which amendment is saved (22.7.2004) by [Finance Act 2004 \(c. 12\)](#), [Sch. 17 para. 6\(1\)](#) (with [Sch. 17 para. 6\(2\)](#)))
- F14** Words in s. 59A(8)(b) substituted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 130\(a\)](#) (with [Sch. 7](#))
- F15** Words in s. 59A(8)(b) substituted (22.7.2004) by [Finance Act 2004 \(c. 12\)](#), [Sch. 17 para. 10\(1\)](#)
- F16** Words in s. 59A(8) substituted (10.7.2003) by [Finance Act 2003 \(c. 14\)](#), [s. 145\(7\)\(a\)](#)
- F17** S. 59A(10) inserted (with effect in accordance with s. 121(8) of the amending Act) by [Finance Act 1996 \(c. 8\)](#), [s. 126\(1\)](#)
- F18** Words in s. 59A(10) substituted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 130\(b\)](#) (with [Sch. 7](#))
- F19** Words in s. 59A(10) substituted (10.7.2003) by [Finance Act 2003 \(c. 14\)](#), [s. 145\(7\)\(b\)](#)

Modifications etc. (not altering text)

- C2** S. 59A modified (as respects the year 1996-97) by [Finance Act 1995 \(c. 4\)](#), [Sch. 21 para. 2](#)
- C3** S. 59A applied (with modifications) (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Taxation of Income from Land \(Non-residents\) Regulations 1995 \(S.I. 1995/2902\)](#), regs. 1(1), 20, 21
- C4** S. 59A modified (22.7.2004) by [Finance Act 2004 \(c. 12\)](#), [s. 108\(3\)](#)

[^{F20}59B Payment of income tax and capital gains tax. U.K.]

- (1) Subject to subsection (2) below, the difference between—
- (a) the amount of income tax and capital gains tax contained in a person's self-assessment under section 9 of this Act for any year of assessment, and
 - (b) the aggregate of any payments on account made by him in respect of that year (whether under section 59A of this Act or otherwise) and any income tax which in respect of that year has been deducted at source,

shall be payable by him or (as the case may be) repayable to him as mentioned in subsection (3) or (4) below [^{F21}but nothing in this subsection shall require the repayment of any income tax treated as deducted or paid by virtue of section 233(1), 246D(1), 249(4), 421(1) [^{F22}or 547(5) of the principal Act or section 626 of ITEPA 2003]].

- (2) The following, namely—

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- (a) any amount which, in the year of assessment, is deducted at source under [F²³PAYE regulations] in respect of a previous year, and
- (b) any amount which, in respect of the year of assessment, is to be deducted at source under [F²⁴PAYE regulations] in a subsequent year, or is a tax credit to which section 231 of that Act applies,

shall be respectively deducted from and added to the aggregate mentioned in subsection (1)(b) above.

(3) In a case where the person—

- (a) gave the notice required by section 7 of this Act within six months from the end of the year of assessment, but
- (b) was not given notice under section 8 or 8A of this Act until after the 31st October next following that year,

the difference shall be payable or repayable at the end of the period of three months beginning with the day on which the notice under section 8 or 8A was given.

(4) In any other case, the difference shall be payable or repayable on or before the 31st January next following the year of assessment.

[Where in the case of a repayment the return on the basis of which the person's self-
F²⁵(4A) assessment was made under section 9 of this Act is enquired into by an officer of the Board—

- (a) nothing in subsection (3) or (4) above shall require the repayment to be made before the day on which, by virtue of section [F²⁶28A(1)] of this Act, [F²⁷the enquiry is] completed; but
- (b) the officer may at any time before that day make the repayment, on a provisional basis, to such extent as he thinks fit.]

[F²⁸(5) An amount of tax which is payable or repayable as a result of the amendment or correction of a self-assessment under—

- (a) section 9ZA, 9ZB, 9C or 28A of this Act (amendment or correction of return under section 8 or 8A of this Act), or
- (b) section 12ABA(3)(a), 12ABB(6)(a), 28B(4)(a), 30B(2)(a), 33A(4)(a) or 50(9)(a) of this Act (amendment of partner's return to give effect to amendment or correction of partnership return),

is payable (or repayable) on or before the day specified by the relevant provision of Schedule 3ZA to this Act.]

[Where a determination under section 28C of this Act which has effect as a person's
F²⁹(5A) self-assessment is superseded by his self-assessment under section 9 of this Act, any amount of tax which is payable or repayable by virtue of the supersession shall be payable or (as the case may be) repayable on or before the day given by subsection (3) or (4) above.]

(6) Any amount of income tax or capital gains tax which is payable by virtue of an assessment made [F³⁰otherwise than under section 9 of this Act shall, unless otherwise provided,] be payable on the day following the end of the period of 30 days beginning with the day on which the notice of assessment is given.

(7) In this section any reference to income tax deducted at source is a reference to income tax deducted or treated as deducted from any income or treated as paid on any income.

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[^{F32}PAYE regulations] may provide that, for the purpose of determining the amount of ^{F31}(8) the difference mentioned in subsection (1) above, any necessary adjustments in respect of matters prescribed by the regulations shall be made to the amount of tax deducted at source under [^{F33}PAYE regulations].]

Textual Amendments

- F20** S. 59B inserted (with effect in accordance with s. 199(2)(3) of the amending Act) by [Finance Act 1994 \(c. 9\), s. 193](#) (with s. 198(3)); S.I. 1998/3173, art. 2
- F21** Words in s. 59B(1) inserted (with effect in accordance with s. 121(8) of the amending Act) by [Finance Act 1996 \(c. 8\), s. 122\(2\)](#)
- F22** Words in s. 59B(1) substituted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 131\(2\)](#) (with Sch. 7)
- F23** Words in s. 59B(2)(a) substituted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 131\(3\)](#) (with Sch. 7)
- F24** Words in s. 59B(2) substituted (10.7.2003) by [Finance Act 2003 \(c. 14\), s. 145\(7\)\(b\)](#)
- F25** S. 59B(4A) inserted (with effect in accordance with s. 121(8) of the amending Act) by [Finance Act 1996 \(c. 8\), s. 127](#)
- F26** Word in s. 59B(4A)(a) substituted (with effect and application in accordance with s. 88(3), Sch. 29 para. 16 of the amending Act) by [Finance Act 2001 \(c. 9\), Sch. 29 para. 14\(2\)\(a\)](#)
- F27** Words in s. 59B(4A)(a) substituted (with effect and application in accordance with s. 88(3), Sch. 29 para. 16 of the amending Act) by [Finance Act 2001 \(c. 9\), Sch. 29 para. 14\(2\)\(b\)](#)
- F28** S. 59B(5) substituted (with effect and application in accordance with s. 88(3), Sch. 29 para. 16 of the amending Act) by [Finance Act 2001 \(c. 9\), Sch. 29 para. 14\(3\)](#)
- F29** S. 59B(5A) inserted (with effect in accordance with s. 121(8) of the amending Act) by [Finance Act 1996 \(c. 8\), s. 125\(4\)](#)
- F30** Words in s. 59B(6) substituted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 115\(6\)](#)
- F31** S. 59B(8) inserted (with effect in accordance with s. 121(8) of the amending Act) by [Finance Act 1996 \(c. 8\), s. 126\(2\)](#)
- F32** Words in s. 59B(8) substituted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 131\(4\)](#) (with Sch. 7)
- F33** Words in s. 59B(8) substituted (10.7.2003) by [Finance Act 2003 \(c. 14\), s. 145\(7\)\(b\)](#)

Modifications etc. (not altering text)

- C5** S. 59B modified (with application in accordance with Sch. 21 para. 3(1) of the amending Act) by [Finance Act 1995 \(c. 4\), Sch. 21 para. 3\(3\)](#)
- C6** S. 59B applied (with modifications) (E.W.) (1.4.2000) by [Education \(Student Loans\) \(Repayment\) Regulations 2000 \(S.I. 2000/944\), regs. 1\(1\), 21](#)
- C7** S. 59B applied (with modifications) (N.I.) (1.4.2000) by [The Education \(Student Loans\) \(Repayment\) Regulations \(Northern Ireland\) 2000 \(S.R. 2000/121\), regs. 1, 21](#)
- C8** S. 59B modified (22.7.2004) by [Finance Act 2004 \(c. 12\), s. 108\(3\)](#)
- C9** S. 59B modified (22.7.2004) by [Finance Act 2004 \(c. 12\), s. 109\(4\)](#)

^{F34}59C Surcharges on unpaid income tax and capital gains tax. **U.K.**

- (1) This section applies in relation to any income tax or capital gains tax which has become payable by a person (the taxpayer) in accordance with section 55 or 59B of this Act.

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- (2) Where any of the tax remains unpaid on the day following the expiry of 28 days from the due date, the taxpayer shall be liable to a surcharge equal to 5 per cent. of the unpaid tax.
- (3) Where any of the tax remains unpaid on the day following the expiry of 6 months from the due date, the taxpayer shall be liable to a further surcharge equal to 5 per cent. of the unpaid tax.
- (4) Where the taxpayer has incurred a penalty under section 7, 93(5)^{F35}, 95 or 95A] of this Act, no part of the tax by reference to which that penalty was determined shall be regarded as unpaid for the purposes of subsection (2) or (3) above.
- (5) An officer of the Board may impose a surcharge under subsection (2) or (3) above; and notice of the imposition of such a surcharge—
 - (a) shall be served on the taxpayer, and
 - (b) shall state the day on which it is issued and the time within which an appeal against the imposition of the surcharge may be brought.
- (6) A surcharge imposed under subsection (2) or (3) above shall carry interest at the rate applicable under section 178 of the Finance Act 1989 from the end of the period of 30 days beginning with the day on which the surcharge is imposed until payment.
- (7) An appeal may be brought against the imposition of a surcharge under subsection (2) or (3) above within the period of 30 days beginning with the date on which the surcharge is imposed.
- (8) Subject to subsection (9) below, the provisions of this Act relating to appeals shall have effect in relation to an appeal under subsection (7) above as they have effect in relation to an appeal against an assessment to tax.
- (9) On an appeal under subsection (7) above section 50(6) to (8) of this Act shall not apply but the Commissioners may—
 - (a) if it appears to them that, throughout the period of default, the taxpayer had a reasonable excuse for not paying the tax, set aside the imposition of the surcharge; or
 - (b) if it does not so appear to them, confirm the imposition of the surcharge.
- (10) Inability to pay the tax shall not be regarded as a reasonable excuse for the purposes of subsection (9) above.
- (11) The Board may in their discretion—
 - (a) mitigate any surcharge under subsection (2) or (3) above, or
 - (b) stay or compound any proceedings for the recovery of any such surcharge, and may also, after judgment, further mitigate or entirely remit the surcharge.
- (12) In this section—

“the due date”, in relation to any tax, means the date on which the tax becomes due and payable;

“the period of default”, in relation to any tax which remained unpaid after the due date, means the period beginning with that date and ending with the day before that on which the tax was paid.]

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Textual Amendments

- F34** S. 59C inserted (with effect in accordance with s. 199(2)(3) of the amending Act) by [Finance Act 1994 \(c. 9\), s. 194](#); [S.I. 1998/3173](#), art. 2
- F35** Words in s. 59C(4) substituted (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 109\(1\)](#)

Modifications etc. (not altering text)

- C10** S. 59C extended (with effect in accordance with s. 103(7) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 109\(2\)](#)
- C11** S. 59C applied (E.W.) (1.4.2000) by [Education \(Student Loans\) \(Repayment\) Regulations 2000 \(S.I. 2000/944\)](#), regs. 1(1), [22](#)
- C12** S. 59C applied (N.I.) (1.4.2000) by [The Education \(Student Loans\) \(Repayment\) Regulations \(Northern Ireland\) 2000 \(S.R. 2000/121\)](#), regs. 1, [22](#)

^{F36}Corporation tax

Textual Amendments

- F36** Ss. 59D, 59DA and cross-heading substituted for s. 59D (with effect in accordance with s. 117(4)(5) of the amending Act) by [Finance Act 1998 \(c. 36\), Sch. 19 para. 29\(2\)](#); [S.I. 1998/3173](#), art. 2

59D General rule as to when corporation tax is due and payable. **U.K.**

- (1) Corporation tax for an accounting period is due and payable on the day following the expiry of nine months from the end of that period.
- (2) If the tax payable is then exceeded by the total of any relevant amounts previously paid (as stated in the relevant company tax return), the excess shall be repaid.
- (3) The tax payable means the amount computed in accordance with paragraph 8 of Schedule 18 to the Finance Act 1998.
- (4) Relevant amounts previously paid means any of the following, so far as relating to the accounting period in question—
 - (a) any amount of corporation tax paid by the company and not repaid;
 - (b) any corporation tax refund surrendered to the company by another group company;
 - (c) any amount by which the sums available for set off under Step 4 of the calculation in paragraph 8 of Schedule 18 to the Finance Act 1998 (amounts set off against overall tax liability) exceeds the amount against which they may be set off under that provision;
 - (d) any amount treated as corporation tax paid in respect of profits of the company [^{F37}by virtue of regulations under section 62 of the Finance Act 2004] (deductions from payments to sub-contractors).
- (5) This section has effect subject to section 59E.

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Textual Amendments

- F37** Words in s. 59D(4)(d) substituted (with effect in accordance with s. 77 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 12 para. 2\(2\)](#)

59DA Claim for repayment in advance of liability being established. U.K.

(1) This section applies where a company has paid an amount of corporation tax for an accounting period and the circumstances of the company change, so that the company has grounds for believing that the amount paid exceeds its probable tax liability although that liability has not been finally established.

(2) The company may, by notice given to an officer of the Board, claim repayment of the excess.

No such claim may be made before the date which under section 826 of the principal Act (interest on overpaid tax), subject to regulations under section 826A of that Act, is the material date in relation to that tax.

(3) The notice must state—

- (a) the amount which the company considers should be repaid, and
- (b) its grounds for believing that the amount paid exceeds its probable tax liability.

(4) If the company has appealed against an amendment of an assessment, or an assessment, relating to the tax liability in question, and the appeal has not been finally determined, it may apply to the Commissioners to whom the appeal stands referred for a determination of the amount which should be repaid to the company pending determination of the liability.

(5) Any claim under subsection (2) or application under subsection (4) shall be heard and determined in the same way as an appeal.

(6) If the company makes an application under section 55(3) or (4) (application to postpone payment pending determination of appeal), that application may be combined with an application under subsection (4) above.

(7) If a company makes a claim or application under this section before it has delivered a company tax return for the period in question, any deductions under [^{F38}section 61 of the Finance Act 2004] (deductions from payments to certain subcontractors) shall be disregarded in considering whether the amount paid by the company exceeds its probable tax liability.

(8) This section has effect subject to section 59E.]

Textual Amendments

- F38** Words in s. 59DA(7) substituted (with effect in accordance with s. 77 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 12 para. 3\(2\)](#)

[^{F39}59E Further provision as to when corporation tax is due and payable. U.K.

(1) The Treasury may by regulations make provision, in relation to companies of such descriptions as may be prescribed, for or in connection with treating amounts of

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corporation tax for an accounting period as becoming due and payable on dates which fall on or before the date on which corporation tax for that period would become due and payable apart from this section.

(2) Without prejudice to the generality of subsection (1) above, regulations under this section may make provision—

- (a) for or in connection with the determination of amounts of corporation tax which are treated as becoming due and payable under the regulations;
- (b) for or in connection with the determination of the dates on which amounts of corporation tax are treated as becoming due and payable under the regulations;
- (c) for or in connection with the making of payments to the Board in respect of amounts of corporation tax which are treated as becoming due and payable under the regulations;
- (d) for or in connection with the determination of the amount of any such payments as are mentioned in paragraph (c) above;
- (e) for or in connection with the determination of the dates on which any such payments as are mentioned in paragraph (c) above become due and payable;
- (f) for or in connection with any assumptions which are to be made for any purposes of the regulations;
- (g) for or in connection with the payment to the Board of interest on amounts of corporation tax which are treated as becoming due and payable under the regulations;
- (h) for or in connection with the repayment of amounts paid under the regulations;
- (i) for or in connection with the payment of interest by the Board on amounts paid or repaid under the regulations;
- (j) with respect to the furnishing of information to the Board;
- (k) with respect to the keeping, production or inspection of any books, documents or other records;
- (l) for or in connection with the imposition of such requirements as the Treasury think necessary or expedient for any purposes of the regulations;
- (m) for or in connection with appeals in relation to questions arising under the regulations.

(3) Regulations under this section may make provision—

- (a) for amounts of corporation tax for an accounting period to be treated as becoming due and payable on dates which fall within the accounting period;
- (b) for payments in respect of any such amounts of corporation tax for an accounting period as are mentioned in paragraph (a) above to become due and payable on dates which fall within the accounting period.

(4) Where interest is charged by virtue of regulations under this section on any amounts of corporation tax for an accounting period which are treated as becoming due and payable under the regulations, the company shall, in such circumstances as may be prescribed, be liable to a penalty not exceeding twice the amount of that interest.

(5) Regulations under this section—

- (a) may make such modifications of any provisions of the Taxes Acts, or
- (b) may apply such provisions of the Taxes Acts,

as the Treasury think necessary or expedient for or in connection with giving effect to the provisions of this section.

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- (6) Regulations under this section which apply any provisions of the Taxes Acts may apply those provisions either without modifications or with such modifications as the Treasury think necessary or expedient for or in connection with giving effect to the provisions of this section.
- (7) Regulations under this section—
- (a) may make different provision for different purposes, cases or circumstances;
 - (b) may make different provision in relation to companies or accounting periods of different descriptions;
 - (c) may make such supplementary, incidental, consequential or transitional provision as appears to the Treasury to be necessary or expedient.
- (8) Subject to subsection (9) below, regulations under this section may make provision in relation to accounting periods beginning before (as well as accounting periods beginning on or after) the date on which the regulations are made.
- (9) Regulations under this section may not make provision in relation to accounting periods ending before the day appointed under section 199 of the Finance Act 1994 for the purposes of Chapter III of Part IV of that Act (corporation tax self-assessment).
- (10) In this section—
- “modifications” includes amendments, additions and omissions;
 - “prescribed” means prescribed by regulations made under this section.
- (11) Any reference in this section to corporation tax includes a reference—
- (a) to any amount due from a company under section 419 of the principal Act (loans to participators etc) as if it were an amount of corporation tax chargeable on the company;
 - (b) to any sum chargeable on a company under section 747(4)(a) of the principal Act (controlled foreign companies) as if it were an amount of corporation tax;
 - ^{F40}(c) [to any sum chargeable on a company under section 501A(1) of the principal Act (supplementary charge in respect of ring fence trades) as if it were an amount of corporation tax chargeable on the company].]

Textual Amendments

F39 S. 59E inserted (31.7.1998) by [Finance Act 1998 \(c. 36\), s. 30\(1\)](#)

F40 S. 59E(11)(c) added (24.7.2002) by [Finance Act 2002 \(c. 23\), s. 92\(2\)](#)

Modifications etc. (not altering text)

C13 S. 59E restricted by Income and Corporation Taxes Act 1988 (c. 1), s. 826(7E) (as inserted (with effect in accordance with Sch. 4 para. 5(5)(6) of the amending Act) by [Finance Act 1998 \(c. 36\), Sch. 4 para. 5\(4\)](#); [S.I. 1998/3173](#), art. 2)

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VALID FROM 11/07/2019

[^{F41}59FBCT payment plans for tax on certain transactions with EEA residents U.K.]

Schedule 3ZC makes provision enabling a company that is liable to pay corporation tax arising in connection with certain transactions to defer payment of the tax by entering into a CT payment plan.]

Textual Amendments

F41 S. 59FB inserted (retrospective and with effect in accordance with [Sch. 7 para. 4\(1\)\(a\)](#) of the amending Act) by [Finance Act 2020 \(c. 14\)](#), [Sch. 7 para. 1](#)

Status:

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Changes to legislation:

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