



Corporation Tax Act 2010

2010 CHAPTER 4

PART 23

COMPANY DISTRIBUTIONS

CHAPTER 6

INFORMATION AND RETURNS: FURTHER PROVISIONS

General duties to provide information

1100 Qualifying distributions: right to request a statement

- (1) If a company makes a qualifying distribution, the recipient is entitled to ask the company to provide a statement in writing showing—
 - (a) the amount or value of the distribution, and
 - (b) the amount of the tax credit (under section 1109(2) below or section 397(1) of ITTOIA 2005) to which an eligible person would be entitled in respect of the distribution.
- (2) For the purposes of subsection (1)(b) it does not matter whether or not the recipient is in fact an eligible person.
- (3) The request must be in writing.
- (4) The company which makes the distribution has a duty to comply with a request under subsection (1), and that duty is enforceable by the recipient.
- (5) In this section “eligible person” means a person who is entitled to a tax credit in respect of the dividend.
- (6) This section does not affect the operation of section 1104 (duty to provide tax certificates).

Status: This is the original version (as it was originally enacted).

1101 Non-qualifying distributions etc: returns and information

- (1) If a company makes a distribution which is not a qualifying distribution, it must make a return to an officer of Revenue and Customs.
- (2) The return must—
 - (a) contain particulars of the transaction giving rise to the distribution,
 - (b) state the name and address of the recipient, or each recipient, of the distribution, and
 - (c) state the amount or value of the distribution received by the recipient, or each recipient.
- (3) The return must be made—
 - (a) within 14 days from the end of the accounting period in which the distribution is made, or
 - (b) if the date on which the distribution is made does not fall in an accounting period, within 14 days from that date.
- (4) If it is not apparent whether or not a transaction gives rise to a distribution which is not a qualifying distribution, the company—
 - (a) must make a return to an officer of Revenue and Customs containing particulars of the transaction, and
 - (b) must do so within the time limit that would be given by subsection (3) if the transaction did give rise to such a distribution.
- (5) If subsection (4) applies, an officer of Revenue and Customs may serve a notice on the company requiring it to provide any further information in relation to the transaction that the officer reasonably requires.
- (6) If it appears to an officer of Revenue and Customs that particulars of any transaction should have been, but have not been, included in a return under subsection (1) or (4), the officer may serve a notice on the company requiring it to provide any information relating to the transaction that the officer reasonably requires.
- (7) The company must provide the information required under subsection (5) or (6) within the time specified in the notice.

1102 Non-qualifying distributions etc: additional information

- (1) This section—
 - (a) gives officers of Revenue and Customs power to require persons to provide information for the purposes of section 1101, and
 - (b) applies only if section 1101(1), (4) or (6) applies.
- (2) An officer of Revenue and Customs may, for the purposes of section 1101, by notice require any person in whose name any shares or loan capital are registered—
 - (a) to state whether or not that person is the beneficial owner of the shares or loan capital, and
 - (b) if that person is not the beneficial owner of the shares or loan capital, to provide the name and address of the person on whose behalf the shares or loan capital are registered in that person's name.
- (3) Subsections (4) and (5) apply if a company ("the issuing company") appears to an officer of Revenue and Customs to be a close company.

- (4) The officer may, for the purposes of section 1101, by notice require the issuing company to provide the officer with—
- (a) particulars of any bearer securities issued by the company,
 - (b) the names and addresses of the persons to whom the securities were issued, and
 - (c) details of the amounts issued to each person.
- (5) The officer may, for the purposes of section 1101, by notice require—
- (a) any person to whom bearer securities were issued by the company, or
 - (b) any person to or through whom bearer securities issued by the company were subsequently sold or transferred,
- to provide any further information that the officer reasonably requires with a view to enabling the officer to find out the names and addresses of the persons beneficially interested in the securities.
- (6) In this section—
- “securities” includes—
 - (a) shares, stocks, bonds, debentures and debenture stock, and
 - (b) any promissory note or other instrument evidencing indebtedness to a loan creditor of the company, and
- “loan creditor” has the meaning given by section 453.

1103 Power to modify or replace sections 1101 and 1102

- (1) The Commissioners for Her Majesty’s Revenue and Customs may by regulations modify, supplement or replace any of the provisions of sections 1101 and 1102 for the purpose stated in subsection (2).
- (2) That is the purpose of requiring UK resident companies to—
- (a) make returns, and
 - (b) give information,
- to an officer of Revenue and Customs in respect of distributions made by the companies which are not qualifying distributions.
- (3) References in this Act and in any other enactment to sections 1101 and 1102 are to be read as including a reference to any regulations made under this section.
- (4) Regulations under this section may authorise the Commissioners to make special arrangements as regards the matters specified in subsection (5) if in their opinion there are circumstances justifying it.
- (5) Those matters are—
- (a) the repayment of income tax borne by a company, and
 - (b) the payment to a company of amounts in respect of any tax credit to which it is entitled.
- (6) Regulations under this section may—
- (a) make different provision for different descriptions of companies and for different circumstances, and
 - (b) contain incidental, supplemental, consequential and transitional provision and savings.

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- (7) No regulations may be made under this section unless a draft of the statutory instrument containing them has been laid before and approved by a resolution of the House of Commons.

Companies and nominees required to provide tax certificates

1104 Company distributing dividend or interest: duty to provide tax certificates

- (1) This section applies if a distribution consisting of any dividend or interest is made by a company which is—
 - (a) a company as defined in section 1(1) of the Companies Act 2006, or
 - (b) a company created by letters patent or by or in pursuance of an Act.
- (2) If the company makes a payment of dividend or interest into a bank or building society account held by any person the company must, within a reasonable period, send a tax certificate (see section 1106) to either—
 - (a) the bank or building society, or
 - (b) the person holding the account.
- (3) If the company makes a payment of dividend or interest to a person without paying it into a bank or building society account, the company must, within a reasonable period, send a tax certificate to that person.

1105 Duties of nominees

- (1) This section applies if—
 - (a) a tax certificate is received by a person under section 1104(2)(b) or (3), and
 - (b) the sum concerned (or part of it)—
 - (i) is paid to that person as nominee for another person, or
 - (ii) is paid into the account of that person as nominee for another person.
- (2) If the nominee pays the sum (or the part concerned) into a bank or building society account held by the other person the nominee must, within a reasonable period, send a tax certificate to either—
 - (a) the bank or building society, or
 - (b) the other person.
- (3) If the nominee pays the sum (or the part concerned) to the other person without paying it into a bank or building society account held by that person, the nominee must, within a reasonable period, send a tax certificate to that person.

1106 Meaning of “tax certificate” etc

- (1) This section gives the meaning of “bank”, “send” and “tax certificate” in sections 1104 and 1105.
- (2) “Bank” has the meaning given by section 1120.
- (3) “Send” means send by post.
- (4) “Tax certificate”, in relation to a payment of dividend or interest, means a written statement showing—

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- (a) the amount of the dividend or interest paid,
 - (b) the date of the payment, and
 - (c) the amount of the tax credit (under section 1109(2) below or section 397(1) of ITTOIA 2005) to which an eligible person would be entitled in respect of the dividend or interest.
- (5) In subsection (4)(c) “eligible person” means a person who is entitled to a tax credit in respect of the dividend or interest.
- (6) But for the purposes of subsection (4)(c) it does not matter whether or not any person is in fact entitled to a tax credit in respect of the dividend or interest.

1107 Penalties

- (1) A person who fails to comply with section 1104(2) or (3) or section 1105(2) or (3) is liable to a penalty of £60 for each offence.
- (2) But, in respect of offences connected with any one distribution of dividends or interest, the total amount of any penalties imposed on a person under subsection (1) must not exceed £600.

1108 Alternative means of compliance with sections 1104 and 1105

- (1) The Commissioners for Her Majesty’s Revenue and Customs may by regulations provide that a person may comply with section 1104(2) or (3) or section 1105(2) or (3) either—
 - (a) by acting in accordance with the subsection concerned, or
 - (b) by acting in accordance with rules contained in the regulations.
- (2) Regulations under subsection (1) may make different provision for different circumstances.