

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1998, Part XI. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 18

#### COMPANY TAX RETURNS, ASSESSMENTS AND RELATED MATTERS

##### Modifications etc. (not altering text)

- C1 Sch. 18 restricted (31.7.1998) by 1988 c. 1, s. 754B(10) (as inserted (31.7.1998 with effect as mentioned in Sch. 17 para. 37 of 1998 c. 36) by 1998 c. 36, s. 113, Sch. 17 para. 11)
- C1 Sch. 18 modified (18.4.2005) by Commissioners for Revenue and Customs Act 2005 (c. 11), s. 53(1), Sch. 4 para. 68(c); S.I. 2005/1126, art. 2(2)(h)
- C1 Sch. 18 applied (20.7.2005) by Finance (No. 2) Act 2005 (c. 22), s. 61
- C1 Sch. 18 applied (with modifications) (6.4.2006) by The Registered Pension Schemes (Accounting and Assessment) Regulations 2005 (S.I. 2005/3454), regs. 1, 13
- C1 Sch. 18 excluded (17.7.2013) by Finance Act 2013 (c. 29), s. 210(6)(b)
- C1 Sch. 18: power to amend conferred (12.2.2019) by Finance Act 2019 (c. 1), s. 87(5)(a)(6)
- C1 Sch. 18 applied (with modifications) (22.7.2020) by Finance Act 2020 (c. 14), Sch. 16 para. 11(4) (with Sch. 16 para. 11(5))
- C1 Sch. 18 applied (with modifications) (11.7.2023) by Finance (No. 2) Act 2023 (c. 30), s. 303(7)(8) (with s. 303(6))

### PART XI

#### SUPPLEMENTARY PROVISIONS

##### *Conclusiveness of amounts stated in return*

- 88 (1) This paragraph applies to an amount stated in a company tax return for an accounting period which is required to be included in the return and which affects or may affect—
- (a) the tax payable by the company making the return for another accounting period, or
  - (b) the tax liability of another company for any accounting period.
- (2) If such an amount can no longer be altered it is taken to be conclusively determined for the purposes of the Corporation Tax Acts in relation to that other period or other company.
- Sub-paragraphs (3) to (5) explain what is meant by can no longer be altered.
- (3) An amount is regarded as one that can no longer be altered if—
- (a) the period specified in paragraph 15(4) (general period for amendment by company) has ended,
  - (b) any enquiry into the return has been completed <sup>F1</sup>... [<sup>F2</sup>(or is completed so far as relating to the matters to which the amount relates by the issue of a partial closure notice)] ,

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- (c) if [<sup>F3</sup>an officer of Revenue and Customs][<sup>F4</sup>amends] the return under paragraph [<sup>F5</sup>34], the period within which an appeal may be brought against that amendment has ended, and
- (d) if an appeal is brought, the appeal has been finally determined.
- (4) If the return is amended by the company under a provision that allows an amendment after the end of the period specified in paragraph 15(4), an amount affected by the amendment ceases to be regarded as one that can no longer be altered until after whichever is the last of the following—
- (a) the end of the period within which notice of enquiry into the return may be given in consequence of the amendment;
- (b) if such a notice is given, [<sup>F6</sup>the completion of the enquiry][<sup>F7</sup>(or the completion of the enquiry so far as relating to the matters to which the amount relates by the issue of a partial closure notice)] ;
- (c) if [<sup>F3</sup>an officer of Revenue and Customs][<sup>F4</sup>amends] the return under paragraph [<sup>F8</sup>34], the end of the period within which an appeal against that amendment may be brought;
- (d) if an appeal is brought, the date on which the appeal is finally determined.
- (5) If the return is amended by [<sup>F3</sup>an officer of Revenue and Customs] under paragraph 83(3) (consequential amendment of return where amount available by way of capital allowances is reduced), an amount affected by the amendment ceases to be regarded as one that can no longer be altered until after—
- (a) the end of the period within which an appeal against that amendment may be brought, or
- (b) if an appeal is brought, the date on which the appeal is finally determined.
- (6) For the purposes of this paragraph an amount carried forward from a period for which a return was made under section 11 of the <sup>M1</sup>Taxes Management Act 1970 is not regarded as one required to be included in a company tax return for a later period.
- (7) Nothing in this paragraph affects any power to make an assessment other than a self-assessment or the power to make a discovery determination.
- [<sup>F9</sup>(8) Nothing in this paragraph affects a power of the company making the return to make a claim under paragraph 51 (claim for relief for overpaid tax).]
- [<sup>F10</sup>(9) Nothing in this paragraph affects the operation of any provision of Part 10 of TIOPA 2010 (corporate interest restriction).]

#### Textual Amendments

- F1** Words in Sch. 18 para. 88(3)(b) omitted (1.4.2010) by virtue of [Finance Act 2008 \(c. 9\), s. 119\(10\)\(a\)\(13\)](#); S.I. 2009/405, art. 2
- F2** Words in Sch. 18 para. 88(3)(b) inserted (with effect in accordance with Sch. 15 para. 44 of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), Sch. 15 para. 34\(2\)](#)
- F3** Words in Sch. 18 substituted (18.4.2005) by [Commissioners for Revenue and Customs Act 2005 \(c. 11\), s. 53\(1\), Sch. 4 para. 68\(a\)](#); S.I. 2005/1126, art. 2(2)(h)
- F4** Words in Sch. 18 substituted (18.4.2005) by virtue of [Commissioners for Revenue and Customs Act 2005 \(c. 11\), s. 53\(1\), Sch. 4 para. 68\(c\)](#); S.I. 2005/1126, art. 2(2)(h)
- F5** Word in Sch. 18 para. 88(3)(c) substituted (1.4.2010) by [Finance Act 2008 \(c. 9\), s. 119\(10\)\(b\)\(13\)](#); S.I. 2009/405, art. 2

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- F6** Words in Sch. 18 para. 88(4)(b) substituted (1.4.2010) by [Finance Act 2008 \(c. 9\), s. 119\(10\)\(c\)\(13\)](#); [S.I. 2009/405, art. 2](#)
- F7** Words in Sch. 18 para. 88(4)(b) inserted (with effect in accordance with Sch. 15 para. 44 of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), Sch. 15 para. 34\(3\)](#)
- F8** Word in Sch. 18 para. 88(4)(c) substituted (1.4.2010) by [Finance Act 2008 \(c. 9\), s. 119\(10\)\(d\)\(13\)](#); [S.I. 2009/405, art. 2](#)
- F9** Sch. 18 para. 88(8) inserted (with effect in accordance with s. 100(2) of the amending Act) by [Finance Act 2009 \(c. 10\), Sch. 52 para. 16](#)
- F10** Sch. 18 para. 88(9) inserted (with effect in accordance with Sch. 5 para. 25(1)(2) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), Sch. 5 para. 4](#)

**Modifications etc. (not altering text)**

- C1** Sch. 18 para. 88(3)-(5) applied by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 7A para. 4(6) (as inserted (with effect in accordance with Sch. 5 para. 25(1)(2) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), Sch. 5 para. 2](#) (with [Sch. 5 para. 28](#)))

**Marginal Citations**

- M1** 1970 c. 9.

*F11 Security for payments*

**Textual Amendments**

- F11** Sch. 18 para. 88A and cross-heading inserted (12.2.2019) by [Finance Act 2019 \(c. 1\), s. 82\(2\)](#)

- 88A (1) The Commissioners for Her Majesty’s Revenue and Customs may by regulations make provision for and in connection with requiring the giving, by prescribed persons and in prescribed circumstances, of security for the payment of tax that a company is or may be liable to pay.
- (2) Regulations under this paragraph must provide that security may be required only where an officer of Revenue and Customs considers it necessary for the protection of the revenue.
- (3) Regulations under this paragraph must provide for a right of appeal against—
- (a) decisions to require security to be given;
  - (b) decisions as to the amount, terms or duration of any security required.
- (4) A person commits an offence if—
- (a) the person fails to comply with a requirement to give security that is imposed by regulations under this paragraph, and
  - (b) the failure continues for such period as is prescribed.
- (5) A person who commits an offence under sub-paragraph (4) is liable on summary conviction—
- (a) in England and Wales, to a fine;
  - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale.
- (6) In this paragraph—
- “prescribed” means prescribed in regulations under this paragraph;

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“security” includes further security.]

*Penalty for fraud or negligence*

<sup>F12</sup>89 .....

**Textual Amendments**

**F12** Sch. 18 para. 89 repealed (1.4.2008 for specified purposes, 1.7.2008 for specified purposes, 1.1.2009 for specified purposes, 1.4.2009 in so far as not already in force) by [Finance Act 2007 \(c. 11\)](#), s. 97(2), [Sch. 24 para. 29\(c\)](#), [Sch. 27 Pt. 5\(5\)](#); S.I. 2008/568, art. 2(a)(b)(c)(d)(e)(f) (with art. 3) (see also S.I. 2009/56, [Sch. 1 para. 265](#))

*Multiple tax-related penalties in respect of same accounting period*

- 90 (1) This paragraph applies where a company incurs more than one penalty whose amount falls to be determined by reference to the tax payable by it for an accounting period.
- (2) Each penalty after the first shall be reduced so that the total amount of the penalties, so far as determined by reference to any particular part of the tax, does not exceed whichever is, or but for this paragraph would be, the greater or greatest of them, so far as so determined.

*[<sup>F13</sup>UK Economic Interest Groupings and] European Economic Interest Groupings*

**Textual Amendments**

**F13** Words in Sch. 18 para. 91 heading inserted (31.12.2020) by [The Taxes \(Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/689\)](#), regs. 1, [8\(2\)\(a\)](#) (with regs. 39-41); 2020 c. 1, Sch. 5 para. 1(1)

- 91 An act or omission such as is mentioned in section 98B of the <sup>M2</sup>Taxes Management Act 1970 ([<sup>F14</sup>UK Economic Interest Groupings and] European Economic Interest Groupings: acts or omissions attracting penalties) on the part of a grouping, or a member of a grouping, is treated as the act or omission of each member of the grouping for the purposes of—
- paragraphs 43 and 46(2) (assessment in case of fraud or negligence), and  
 paragraphs 61(2) and 65(1) (consequential claims in case of such an assessment).

**Textual Amendments**

**F14** Words in Sch. 18 para. 91 inserted (31.12.2020) by [The Taxes \(Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/689\)](#), regs. 1, [8\(2\)\(b\)](#) (with regs. 39-41); 2020 c. 1, Sch. 5 para. 1(1)

**Marginal Citations**

**M2** 1970 c. 9.

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*Notices of appeal*

- 92 (1) This paragraph applies in relation to any appeal under this Schedule.  
(2) The notice of appeal shall specify the grounds of appeal.  
F15(3) .....

**Textual Amendments**

F15 Sch. 18 para. 92(3) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 266**

*General jurisdiction of Special or General Commissioners*

- F1693 .....

**Textual Amendments**

F16 Sch. 18 para. 93 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 267**

*Election to take appeal to Special Commissioners*

- F1794 .....

**Textual Amendments**

F17 Sch. 18 para. 94 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 267**

*Meaning of “the Inland Revenue”*

- F1895 .....

**Textual Amendments**

F18 Sch. 18 para. 95 repealed (18.4.2005) by [Commissioners for Revenue and Customs Act 2005 \(c. 11\)](#), s. 53(1), [Sch. 4 para. 68\(b\)](#), **Sch. 5**; S.I. 2005/1126, art. 2(2)(h)(i)

*The self-assessment appointed day*

- 96 In this Schedule “the self-assessment appointed day” means the day appointed by the Treasury under section 199 of the <sup>M3</sup>Finance Act 1994 for the purposes of Chapter III of Part IV of that Act (corporation tax self-assessment).

**Marginal Citations**

M3 1994 c. 9.

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*Construction of references to assessment*

- 97 Any reference in the Tax Acts (however expressed) to a person being assessed to tax, or being charged to tax by an assessment, include a reference to his being so assessed, or being so charged—
- (a) by a self-assessment under this Schedule, or an amendment of such a self-assessment, or
  - (b) by a determination under paragraph 36 or 37 of this Schedule (which, until superseded by a self-assessment, has effect as if it were one).

*[<sup>F19</sup>Meaning of TIOPA 2010*

**Textual Amendments**

- F19** Sch. 18 para. 97A and cross-heading inserted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), s. 381(1), [Sch. 8 para. 321\(6\)](#) (with [Sch. 9 paras. 1-9, 22](#))

- 97A In this Schedule “TIOPA 2010” means the Taxation (International and Other Provisions) Act 2010.]

*Index of defined expressions*

- 98 In this Schedule the expressions listed below are defined or otherwise explained by the provisions indicated—

the Board	paragraph 95(6)
closure notice	paragraph 32(1)
company tax return	paragraph 3(1)
delivery (in relation to company tax return)	paragraph 4
discovery assessment	paragraph 41(1)
discovery determination	paragraph 41(2)
filing date	paragraph 14
Inland Revenue	paragraph 95
notice of enquiry	paragraph 24(1)
notice requiring company tax return	paragraph 3(1)
[ <sup>F20</sup> SE (in Part 10A)	paragraph 87C]
self-assessment	paragraph 7
self-assessment appointed day	paragraph 96
tax	paragraph 1 (and see paragraphs 63(3) and 64(5))
tax payable	paragraph 8
[ <sup>F21</sup> TIOPA 2010	paragraph 97A]

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wrong period (return for)

paragraph 26(2) to (4)

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**Textual Amendments**

- F20** Words in Sch. 18 para. 98 inserted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 7 para. 108\(3\)](#) (with Sch. 9 paras. 1-9, 22)
- F21** Words in Sch. 18 para. 98 inserted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 8 para. 321\(7\)](#) (with Sch. 9 paras. 1-9, 22)

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