

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1998, Part VI. (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 VI

##### [<sup>F1</sup>OVERPAID TAX,] EXCESSIVE ASSESSMENTS OR REPAYMENTS, ETC

##### Textual Amendments

- F1 Words in Sch. 18 Pt. VI heading inserted (with effect in accordance with s. 100(2) of the amending Act) by Finance Act 2009 (c. 10), Sch. 52 para. 14

##### *Relief in case of double assessment*

- 50 (1) A company which believes it has been assessed to tax more than once for the same cause and for the same accounting period may make a claim for relief—
- (a) by notice in writing,
  - (b) given to the Board.
- (2) If on a claim being made the Board are satisfied that the company has been assessed to tax more than once for the same cause and for the same accounting period, they shall amend the assessment or assessments concerned, or give relief by way of discharge or repayment of tax or otherwise, so as to eliminate the double charge.
- [<sup>F2</sup>(3) An appeal may be brought against the Board's decision on a claim for relief under this paragraph.]

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**Textual Amendments**

**F2** Sch. 18 para. 50(3) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 263**

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

**C1** Sch. 18 paras. 50-50G applied (with modifications) (8.4.2010) by [Finance Act 2010 \(c. 13\)](#), **Sch. 1 paras. 31, 33**

*<sup>F3</sup>Claim for relief for overpaid tax etc*

**Textual Amendments**

**F3** Sch. 18 paras. 51-51G and cross-headings substituted for Sch. 18 para. 51 (with effect in accordance with s. 100(2) of the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 52 para. 13**

- 51 (1) This paragraph applies where—
- (a) a person has paid an amount by way of tax but believes that the tax was not due, or
  - (b) a person has been assessed as liable to pay an amount by way of tax, or there has been a determination or direction to that effect, but the person believes that the tax is not due.
- (2) The person may make a claim to the Commissioners for Her Majesty's Revenue and Customs for repayment or discharge of the amount.
- (3) Paragraph 51A makes provision about cases in which the Commissioners for Her Majesty's Revenue and Customs are not liable to give effect to a claim under this paragraph.
- (4) The following make further provision about making and giving effect to claims under this paragraph—
- (a) paragraphs 51B to 51F and Part 7 of this Schedule, and
  - (b) Schedule 1A to the Taxes Management Act 1970 (which is applied by that Part).
- (5) Paragraph 51G makes provision about the application of this paragraph and paragraphs 51A to 51F to amounts paid under contract settlements.
- (6) The Commissioners for Her Majesty's Revenue and Customs are not liable to give relief in respect of a case described in sub-paragraph (1)(a) or (b) except as provided—
- (a) by this Schedule and Schedule 1A to the Taxes Management Act 1970 (following a claim under this paragraph), or
  - (b) by or under another provision of the Corporation Tax Acts.
- (7) For the purposes of this paragraph and paragraphs 51A to 51G, an amount paid by one person on behalf of another is treated as paid by the other person.

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

- C1** Sch. 18 paras. 50-50G applied (with modifications) (8.4.2010) by [Finance Act 2010 \(c. 13\)](#), [Sch. 1 paras. 31, 33](#)
- C2** Sch. 18 para. 51 applied (with modifications) (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Lloyds Underwriters \(Tax\) Regulations 2005 \(S.I. 2005/3338\)](#), [regs. 1\(1\), 8](#)
- C3** [Sch. 18 paras. 51-51G](#) applied (with modifications) (temp.) (with effect in accordance with [Sch. 10 para. 43](#) of the amending Act) by [Finance Act 2022 \(c. 3\)](#), [Sch. 10 para. 24](#) (as amended (5.1.2023) by The Finance Act 2022, Schedule 10 (Public Interest Business Protection Tax) (Substitution of Date) Regulations 2022 (S.I. 2022/1321), reg. 2(2))

*Cases in which Commissioners not liable to give effect to a claim*

- 51A (1) The Commissioners for Her Majesty's Revenue and Customs are not liable to give effect to a claim under paragraph 51 if or to the extent that the claim falls within a case described in this paragraph (see also [<sup>F4</sup>paragraphs 51BA and 51C(5)]).
- (2) Case A is where the amount paid, or liable to be paid, is excessive by reason of—
- a mistake in a claim, election or a notice,
  - a mistake consisting of making or giving, or failing to make or give, a claim, election or notice,
  - a mistake in allocating expenditure to a pool for the purposes of the Capital Allowances Act or a mistake consisting of making, or failing to make, such an allocation, or
  - a mistake in bringing a disposal value into account for the purposes of that Act or a mistake consisting of bringing, or failing to bring, such a value into account.
- (3) Case B is where the claimant is or will be able to seek relief by taking other steps under the Corporation Tax Acts.
- (4) Case C is where the claimant—
- could have sought relief by taking such steps within a period that has now expired, and
  - knew, or ought reasonably to have known, before the end of that period that such relief was available.
- (5) Case D is where the claim is made on grounds that—
- have been put to a court or tribunal in the course of an appeal by the claimant relating to the amount paid or liable to be paid, or
  - have been put to Her Majesty's Revenue and Customs in the course of an appeal by the claimant relating to that amount that is treated as having been determined by a tribunal (by virtue of section 54 of the Taxes Management Act 1970 (settling of appeals by agreement)).
- (6) Case E is where the claimant knew, or ought reasonably to have known, of the grounds for the claim before the latest of the following—
- the date on which an appeal by the claimant relating to the amount paid, or liable to be paid, in the course of which the ground could have been put forward (a “relevant appeal”) was determined by a court or tribunal (or is treated as having been so determined),

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- (b) the date on which the claimant withdrew a relevant appeal to a court or tribunal, and
  - (c) the end of the period in which the claimant was entitled to make a relevant appeal to a court or tribunal.
- (7) Case F is where the amount in question was paid or is liable to be paid—
- (a) in consequence of proceedings enforcing the payment of that amount brought against the claimant by Her Majesty's Revenue and Customs, or
  - (b) in accordance with an agreement between the claimant and Her Majesty's Revenue and Customs settling such proceedings.
- (8) Case G is where—
- (a) the amount paid, or liable to be paid, is excessive by reason of a mistake in calculating the claimant's liability to corporation tax, and
  - (b) liability was calculated in accordance with the practice generally prevailing at the time.
- [<sup>F5</sup>(9) Case G does not apply where the amount paid, or liable to be paid, is tax which has been charged contrary to EU law.
- (10) For the purposes of sub-paragraph (9), an amount of tax is charged contrary to EU law if, in the circumstances in question, the charge to tax is contrary to—
- (a) the provisions relating to the free movement of goods, persons, services and capital in Titles II and IV of Part 3 of the Treaty on the Functioning of the European Union, or
  - (b) the provisions of any subsequent treaty replacing the provisions mentioned in paragraph (a).]

#### **Textual Amendments**

- F4** Words in Sch. 18 para. 51A(1) substituted (with effect in accordance with art. 5 of the amending S.I.) by [The Enactment of Extra-Statutory Concessions Order 2011 \(S.I. 2011/1037\), arts. 1, 3\(2\)](#)
- F5** Sch. 18 para. 51A(9)(10) inserted (with effect in accordance with s. 231(5) of the amending Act) by [Finance Act 2013 \(c. 29\), s. 231\(3\)](#)

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

- C1** Sch. 18 paras. 50-50G applied (with modifications) (8.4.2010) by [Finance Act 2010 \(c. 13\), Sch. 1 paras. 31, 33](#)
- C3** [Sch. 18 paras. 51-51G](#) applied (with modifications) (temp.) (with effect in accordance with [Sch. 10 para. 43](#) of the amending Act) by [Finance Act 2022 \(c. 3\), Sch. 10 para. 24](#) (as amended (5.1.2023) by The Finance Act 2022, Schedule 10 (Public Interest Business Protection Tax) (Substitution of Date) Regulations 2022 (S.I. 2022/1321), reg. 2(2))

#### *Making a claim*

- 51B (1) A claim under paragraph 51 may not be made more than 4 years after the end of the relevant accounting period.
- (2) In relation to a claim made in reliance on paragraph 51(1)(a), the relevant accounting period is—

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- (a) where the amount paid, or liable to be paid, is excessive by reason of a mistake in a company tax return or returns, the accounting period to which the return (or, if more than one, the first return) relates, and
  - (b) otherwise, the accounting period in respect of which the amount was paid.
- (3) In relation to a claim made in reliance on paragraph 51(1)(b), the relevant accounting period is<sup>F6</sup>—
- (a) where the amount liable to be paid is excessive by reason of a mistake in a company tax return or returns, the accounting period to which the return (or, if more than one, the first return) relates, and
  - (b) otherwise,] the accounting period to which the assessment, determination or direction relates.
- (4) A claim under paragraph 51 may not be made by being included in a company tax return.

[<sup>F7</sup>(5) Sub-paragraph (1) is subject to paragraph 51BA.]

#### Textual Amendments

- F6** Words in Sch. 18 para. 51B(3) inserted (with effect in accordance with s. 232(4) of the amending Act) by [Finance Act 2013 \(c. 29\), s. 232\(3\)](#)
- F7** Sch. 18 para. 51B(5) inserted (with effect in accordance with art. 5 of the amending S.I.) by [The Enactment of Extra-Statutory Concessions Order 2011 \(S.I. 2011/1037\), arts. 1, 3\(3\)](#)

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

- C1** Sch. 18 paras. 50-50G applied (with modifications) (8.4.2010) by [Finance Act 2010 \(c. 13\), Sch. 1 paras. 31, 33](#)
- C3** [Sch. 18 paras. 51-51G](#) applied (with modifications) (temp.) (with effect in accordance with [Sch. 10 para. 43](#) of the amending Act) by [Finance Act 2022 \(c. 3\), Sch. 10 para. 24](#) (as amended (5.1.2023)) by The Finance Act 2022, Schedule 10 (Public Interest Business Protection Tax) (Substitution of Date) Regulations 2022 (S.I. 2022/1321), reg. 2(2))

#### *[<sup>F8</sup>Determinations under paragraphs 36 and 37: special rules*

#### Textual Amendments

- F8** Sch. 18 para. 51BA and cross-heading inserted (with effect in accordance with arts. 4, 5 of the amending S.I.) by [The Enactment of Extra-Statutory Concessions Order 2011 \(S.I. 2011/1037\), arts. 1, 3\(4\)](#)

51BA.(1) This paragraph applies where—

- (a) a determination has been made under paragraph 36 or 37 of an amount that a person is liable to pay by way of tax, but the person believes the tax is not due or, if it has been paid, was not due,
- (b) relief would be available under paragraph 51 but for the fact that—
  - (i) the claim falls within Case C (see paragraph 51A(4)),
  - (ii) the claim falls within Case F(a) (see paragraph 51A(7)(a)), or
  - (iii) more than 4 years have elapsed since the end of the relevant accounting period (see paragraph 51B(1)), and

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- (c) if the claim falls within Case F(a), the person was neither present nor legally represented during the enforcement proceedings in question.
- (2) A claim under paragraph 51 for repayment or discharge of the amount may be made, and effect given to it, despite paragraph 51A(4), paragraph 51A(7)(a) or paragraph 51B(1), as the case may be.
- (3) But the Commissioners for Her Majesty’s Revenue and Customs are not liable to give effect to a claim made in reliance on this paragraph unless conditions A, B and C are met.
- (4) Condition A is that in the opinion of the Commissioners for Her Majesty’s Revenue and Customs it would be unconscionable for the Commissioners for Her Majesty’s Revenue and Customs to seek to recover the amount (or to withhold repayment of it, if it has already been paid).
- (5) Condition B is that the person’s affairs (as respects matters concerning the Commissioners for Her Majesty’s Revenue and Customs) are otherwise up to date or arrangements have been put in place, to the satisfaction of the Commissioners for Her Majesty’s Revenue and Customs, to bring them up to date so far as possible.
- (6) Condition C is that either—
- (a) the person has not relied on this paragraph on a previous occasion (whether or not in respect of the same determination), or
  - (b) the person has done so, but in the exceptional circumstances of the case should be allowed to do so again on the present occasion.
- (7) For the purposes of sub-paragraph (6)—
- (a) a person has relied on this paragraph on a previous occasion if the person has made a claim (or a composite set of claims involving one or more determinations and accounting periods) in reliance on this paragraph on a previous occasion, and
  - (b) it does not matter whether that claim (or set of claims) succeeded.
- (8) A claim made in reliance on this paragraph must include (in addition to anything required by Schedule 1A to the Taxes Management Act 1970) such information and documentation as is reasonably required for the purpose of determining whether conditions A, B and C are met.]

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

**C3** Sch. 18 paras. 51-51G applied (with modifications) (temp.) (with effect in accordance with Sch. 10 para. 43 of the amending Act) by Finance Act 2022 (c. 3), Sch. 10 para. 24 (as amended (5.1.2023) by The Finance Act 2022, Schedule 10 (Public Interest Business Protection Tax) (Substitution of Date) Regulations 2022 (S.I. 2022/1321), reg. 2(2))

*The claimant: one person accountable for amounts payable by another*

- 51C (1) Sub-paragraph (2) applies where a person (“P”) is accountable to the Commissioners for Her Majesty’s Revenue and Customs under a relevant enactment for an amount that has been or is to be set off against a liability of another person (“T”) under a relevant enactment.
- (2) A claim under paragraph 51 in respect of the amount may be made only by T.

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- (3) Sub-paragraph (4) applies where—
- (a) a person (“P”) has paid an amount described in sub-paragraph (1) in the belief that P was accountable to the Commissioners for the amount under a relevant enactment, but
  - (b) P was not so accountable.
- (4) A claim under paragraph 51 in respect of the amount may be made only by P.
- (5) The Commissioners for Her Majesty's Revenue and Customs are not liable to give effect to a claim under sub-paragraph (4) if or to the extent that the amount has been repaid to T or set against amounts payable to the Commissioners by T.
- (6) “Relevant enactment” means—
- (a) Chapter 3 of Part 3 of the Finance Act 2004 or regulations under that Chapter (construction industry scheme), or
  - (b) any other provision of or made under the Taxes Acts.

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

- C1** Sch. 18 paras. 50-50G applied (with modifications) (8.4.2010) by [Finance Act 2010 \(c. 13\)](#), [Sch. 1 paras. 31, 33](#)
- C3** [Sch. 18 paras. 51-51G](#) applied (with modifications) (temp.) (with effect in accordance with [Sch. 10 para. 43](#) of the amending Act) by [Finance Act 2022 \(c. 3\)](#), [Sch. 10 para. 24](#) (as amended (5.1.2023) by The Finance Act 2022, Schedule 10 (Public Interest Business Protection Tax) (Substitution of Date) Regulations 2022 (S.I. 2022/1321), reg. 2(2))

*The claimant: partnerships*

- 51D (1) This paragraph applies where—
- (a) a trade, profession or business is carried on by two or more persons in partnership,
  - (b) an amount is paid, or liable to be paid, by one or more of those persons in accordance with a self-assessment, and
  - (c) the amount is excessive by reason of a mistake in a partnership return.
- (2) A claim under paragraph 51 in respect of the amount—
- (a) may be made by the relevant partner nominated to make the claim by all of the relevant partners, and
  - (b) may not be made by any other person.
- (3) In relation to such a claim, references in paragraphs 51A to 51F to the claimant are to any of the relevant partners.
- (4) “Relevant partner” means—
- (a) a person who was a partner in the partnership at any time during the period in respect of which the partnership return was made, or
  - (b) the personal representative of such a person.

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- C3** [Sch. 18 paras. 51-51G](#) applied (with modifications) (temp.) (with effect in accordance with [Sch. 10 para. 43](#) of the amending Act) by [Finance Act 2022 \(c. 3\)](#), [Sch. 10 para. 24](#) (as amended (5.1.2023) by The Finance Act 2022, Schedule 10 (Public Interest Business Protection Tax) (Substitution of Date) Regulations 2022 ([S.I. 2022/1321](#)), reg. 2(2))

*Assessment of claimant in connection with claim*

- 51E (1) This paragraph applies where—
- (a) a claim is made under paragraph 51,
  - (b) the grounds for giving effect to the claim also provide grounds for a discovery assessment or discovery determination on the claimant in respect of any accounting period, and
  - (c) such an assessment or determination could be made but for a relevant restriction.
- (2) The following are relevant restrictions—
- (a) the restrictions in paragraphs 42 to 45, and
  - (b) the expiry of a time limit for making a discovery assessment or discovery determination.
- (3) Where this paragraph applies—
- (a) the relevant restrictions are to be disregarded, and
  - (b) the discovery assessment or discovery determination is not out of time if it is made before the final determination of the claim.
- (4) A claim is not finally determined until it, or the amount to which it relates, can no longer be varied (whether on appeal or otherwise).

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

- C1** Sch. 18 paras. 50-50G applied (with modifications) (8.4.2010) by [Finance Act 2010 \(c. 13\)](#), [Sch. 1 paras. 31, 33](#)
- C3** [Sch. 18 paras. 51-51G](#) applied (with modifications) (temp.) (with effect in accordance with [Sch. 10 para. 43](#) of the amending Act) by [Finance Act 2022 \(c. 3\)](#), [Sch. 10 para. 24](#) (as amended (5.1.2023) by The Finance Act 2022, Schedule 10 (Public Interest Business Protection Tax) (Substitution of Date) Regulations 2022 ([S.I. 2022/1321](#)), reg. 2(2))

*Amendment of partnership return etc in connection with claim*

- 51F (1) This paragraph applies where—
- (a) a claim is made under paragraph 51,
  - (b) the claimant is one of two or more persons carrying on a trade, profession or business in partnership,
  - (c) the grounds for giving effect to the claim also provide grounds for amending, under section 30B(1) of the Taxes Management Act 1970 (discovery of loss



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- of tax from partnership), a return made by the partnership or any of the partners in respect of any period, and
- (d) such an amendment could be made but for a relevant restriction.
- (2) The following are relevant restrictions—
- (a) the conditions in section 30B(4) to (6) of the Taxes Management Act 1970, and
- (b) the expiry of a time limit for making an assessment under that section.
- (3) Where this paragraph applies—
- (a) the relevant conditions are to be disregarded, and
- (b) the amendment is not out of time if it is made before the final determination of the claim.
- (4) A claim is not finally determined until it, or the amount to which it relates, can no longer be varied (whether on appeal or otherwise).

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

- C1** Sch. 18 paras. 50-50G applied (with modifications) (8.4.2010) by [Finance Act 2010 \(c. 13\)](#), [Sch. 1 paras. 31, 33](#)
- C3** [Sch. 18 paras. 51-51G](#) applied (with modifications) (temp.) (with effect in accordance with [Sch. 10 para. 43](#) of the amending Act) by [Finance Act 2022 \(c. 3\)](#), [Sch. 10 para. 24](#) (as amended (5.1.2023)) by The Finance Act 2022, Schedule 10 (Public Interest Business Protection Tax) (Substitution of Date) Regulations 2022 ([S.I. 2022/1321](#)), reg. 2(2))

*Contract settlements*

- 51G (1) In paragraph 51(1)(a) the reference to an amount paid by a company by way of tax includes an amount paid by a person under a contract settlement in connection with tax believed to be due.
- (2) Sub-paragraphs (3) to (6) apply if the person who paid the amount under the contract settlement (“the payer”) and the person from whom the tax was due (“the taxpayer”) are not the same person.
- (3) In relation to a claim under paragraph 51 in respect of that amount—
- (a) the references to the claimant in paragraph 51A(5) to (7) (Cases D, E and F) have effect as if they included the taxpayer,
- (b) the reference to the claimant in paragraph 51A(8) (Case G) has effect as if it were a reference to the taxpayer,
- (c) the references to the claimant in paragraphs 51E(1)(b) and 51F(1)(b) have effect as if they were references to the taxpayer, and
- (d) references to tax in Schedule 1A to the Taxes Management Act 1970 (as it applies to a claim under this Part of this Schedule) include such an amount.
- (4) Sub-paragraph (5) applies where the grounds for giving effect to a claim by the payer in respect of the amount also provide grounds for a discovery assessment or discovery determination on the taxpayer in respect of any chargeable period.
- (5) The Commissioners for Her Majesty's Revenue and Customs may set any amount repayable to the payer by virtue of the claim against any amount payable by the taxpayer by virtue of the assessment or determination.

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- (6) The obligations of the Commissioners for Her Majesty's Revenue and Customs and the taxpayer are discharged to the extent of any set-off under sub-paragraph (5).
- (7) “Contract settlement” means an agreement made in connection with any person's liability to make a payment to the Commissioners for Her Majesty's Revenue and Customs under or by virtue of an enactment.]

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

- C1** Sch. 18 paras. 50-50G applied (with modifications) (8.4.2010) by [Finance Act 2010 \(c. 13\)](#), **Sch. 1 paras. 31, 33**
- C3** [Sch. 18 paras. 51-51G](#) applied (with modifications) (temp.) (with effect in accordance with [Sch. 10 para. 43](#) of the amending Act) by [Finance Act 2022 \(c. 3\)](#), **Sch. 10 para. 24** (as amended (5.1.2023) by The Finance Act 2022, Schedule 10 (Public Interest Business Protection Tax) (Substitution of Date) Regulations 2022 ([S.I. 2022/1321](#)), reg. 2(2))

*Recovery of excessive repayments etc*

- 52 (1) The provisions of paragraphs 41 to 48 relating to discovery assessments apply to an amount to which this paragraph applies as if it were unpaid tax, unless—
- (a) it is assessable under those provisions apart from this paragraph, or
  - (b) it is recoverable under section 826(8A) of the Taxes Act 1988 (interest overpaid which is recoverable in same way as interest charged).
- (2) This paragraph applies to an amount paid to a company by way of—
- (a) repayment of tax (or income tax) <sup>F9</sup> ... ,
  - (b) repayment supplement under section 825 of the Taxes Act 1988,
  - <sup>F10</sup>(bza) .....
  - <sup>F11</sup>(ba) .....
  - <sup>F12</sup>(bb) land remediation tax credit or life assurance company tax credit under [<sup>F13</sup>Part 14 of the Corporation Tax Act 2009],] or
  - <sup>F14</sup>(bc) .....
  - <sup>F15</sup>(bd) film tax credit [<sup>F16</sup>under Part 15 of the Corporation Tax Act 2009],]
  - <sup>F17</sup>(be) television tax credit under Part 15A of that Act,
  - (bf) video game tax credit under Part 15B of that Act,]
  - <sup>F18</sup>(bg) theatre tax credit under Part 15C of that Act,]
  - <sup>F19</sup>(bh) orchestra tax credit under Part 15D of that Act,]
  - <sup>F20</sup>(bi) museums and galleries exhibition tax credit under Part 15E of that Act,]
  - (c) interest paid under section 826 of [<sup>F21</sup>the Taxes Act 1988],  
to the extent that it ought not to have been paid.
- <sup>F22</sup>(2A) The provisions of paragraphs 41 and 45 to 48 relating to discovery assessments apply to an amount paid to a company by way of—
- (a) first-year tax credit under Schedule A1 to the Capital Allowances Act;
  - (b) R&D expenditure credit under Chapter 6A of Part 3 of the Corporation Tax Act 2009;
  - (c) R&D tax credit under Chapter 2 or 7 of Part 13 of that Act,

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but only to the extent that the company was not, or is no longer, entitled to the credit.]

- (3) For the purposes of this paragraph—
- (a) an amount is regarded as paid if it is allowed by way of set-off, and
  - (b) an amount is regarded as a repayment if it was intended as repayment but exceeds the amount paid by the company.

<sup>F23</sup>(4) . . . . .

- (5) An assessment to recover—
- (a) an amount of tax repaid to a company in respect of an accounting period, or interest on any such repayment,
    - <sup>F24</sup>(aa) an amount of R&D expenditure credit paid to a company for an accounting period,]
    - <sup>F25</sup>(ab) an amount of R&D tax credit paid to a company for an accounting period,]
    - <sup>F26</sup>(ac) an amount of land remediation tax credit or life assurance company tax credit paid to a company for an accounting period,] or
    - <sup>F27</sup>(ad) . . . . .
    - <sup>F28</sup>(ae) an amount of film tax credit paid to a company for an accounting period,]
    - <sup>F29</sup>(af) an amount of first-year tax credit under Schedule A1 to the Capital Allowances Act paid to a company for an accounting period,]
    - <sup>F30</sup>(ag) an amount of television tax credit paid to a company for an accounting period,
    - (ah) an amount of video game tax credit paid to a company for an accounting period,]
    - <sup>F31</sup>(ai) an amount of theatre tax credit paid to a company for an accounting period,]
    - <sup>F32</sup>(aj) an amount of orchestra tax credit paid to a company for an accounting period,]
    - <sup>F33</sup>(ak) an amount of museums and galleries exhibition tax credit paid to a company for an accounting period,]
  - (b) an amount of income tax repaid to a company in respect of a payment received by the company in an accounting period, or interest on any such repayment,

shall be treated as an assessment to tax for the accounting period referred to in paragraph (a)[<sup>F34</sup>, [<sup>F35</sup>(aa),] (ab)][<sup>F36</sup>(ac)]<sup>F37</sup>... [<sup>F38</sup>, (ae)][<sup>F39</sup>, (ag), (ah)][<sup>F40</sup>, (ai)][<sup>F41</sup>, (aj)][<sup>F42</sup>, (ak)] or (b).

- (6) The sum assessed shall carry interest at the prescribed rate for the purposes of section 87A of the <sup>M1</sup>Taxes Management Act 1970 (interest on overdue corporation tax, etc.) from the date when the payment being recovered was made until payment.

#### Textual Amendments

- F9** Words in Sch. 18 para. 52(2)(a) omitted (with effect in accordance with Sch. 1 para. 73 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 1 para. 58\(3\)\(c\)](#)
- F10** [Sch. 18 para. 52\(2\)\(bza\)](#) omitted (in relation to accounting periods beginning on or after 1.4.2023 ) by virtue of [Finance \(No. 2\) Act 2023 \(c. 30\)](#), [Sch. 1 paras. 11\(a\), 20](#)
- F11** [Sch. 18 para. 52\(2\)\(ba\)](#) omitted (in relation to accounting periods beginning on or after 1.4.2023) by virtue of [Finance \(No. 2\) Act 2023 \(c. 30\)](#), [Sch. 1 paras. 11\(a\), 20](#)

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

- F12** Sch. 18 para. 52(2)(bb) inserted (11.5.2001 with effect as mentioned in s. 70 of the amending Act) by 2001 c. 9, s. 70, **Sch. 23 para. 5(a)**
- F13** Words in Sch. 18 para. 52(2)(bb) substituted (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 1 para. 454(6)(a)(ii)** (with Sch. 2 Pts. 1, 2)
- F14** Sch. 18 para. 52(2)(bc) repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 454(6)(a)(iii), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F15** Sch. 18 para. 52(2)(bd) inserted (1.1.2007) by Finance Act 2006 (c. 25), s. 53(1), **Sch. 5 para. 28(a)**; S.I. 2006/3399, art. 2
- F16** Words in Sch. 18 para. 52(2)(bd) inserted (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 1 para. 454(6)(a)(iv)** (with Sch. 2 Pts. 1, 2)
- F17** Sch. 18 para. 52(2)(be)(bf) inserted (with effect in accordance with Sch. 18 para. 23 of the amending Act) by Finance Act 2013 (c. 29), **Sch. 18 paras. 4(2), 22**; S.I. 2013/1817, art. 2(2); S.I. 2014/1962, art. 2(3)
- F18** Sch. 18 para. 52(2)(bg) inserted (with effect in accordance with Sch. 4 para. 17 of the amending Act) by Finance Act 2014 (c. 26), **Sch. 4 paras. 5(2), 16**; S.I. 2014/2228, art. 2
- F19** Sch. 18 para. 52(2)(bh) inserted (with effect in accordance with Sch. 8 para. 17(1)(a) of the amending Act) by Finance Act 2016 (c. 24), **Sch. 8 para. 5(2)**
- F20** Sch. 18 para. 52(2)(bi) inserted (for specified purposes and with effect in accordance with Sch. 6 paras. 20, 21(1)(b) of the amending Act) by Finance (No. 2) Act 2017 (c. 32), **Sch. 6 para. 5(2)**
- F21** Words in Sch. 18 para. 52(2)(C) substituted (11.5.2001 with effect as mentioned in s. 70 of the amending Act) by 2001 c. 9, s. 70, **Sch. 23 para. 5(b)**
- F22** Sch. 18 para. 52(2A) substituted (in relation to accounting periods beginning on or after that date 1.4.2023) by Finance (No. 2) Act 2023 (c. 30), Sch. 1 paras. 11(b), **20**
- F23** Sch. 18 para. 52(4) repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 454(6)(b), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F24** Sch. 18 para. 52(5)(aa) inserted (with effect in accordance with Sch. 15 para. 27 of the amending Act) by Finance Act 2013 (c. 29), **Sch. 15 para. 6(3)(a)**
- F25** Sch. 18 para. 52(5)(ab) inserted (28.7.2000 with effect as mentioned in s. 69(1) of the amending Act) by 2000 c. 17, s. 69(2), **Sch. 21 para. 3(b)**
- F26** Sch. 18 para. 52(5)(ac) inserted (11.5.2001 with effect as mentioned in s. 70 of the amending Act) by 2001 c. 9, s. 70, **Sch. 23 para. 5(c)**
- F27** Sch. 18 para. 52(5)(ad) repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 454(6)(c)(i), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F28** Sch. 18 para. 52(5)(ae) inserted (1.1.2007) by Finance Act 2006 (c. 25), s. 53(1), **Sch. 5 para. 28(b)**; S.I. 2006/3399, art. 2
- F29** Sch. 18 para. 52(5)(af) inserted (with effect in accordance with Sch. 25 para. 9 of the amending Act) by Finance Act 2008 (c. 9), **Sch. 25 para. 8(4)**
- F30** Sch. 18 para. 52(5)(ag)(ah) inserted (with effect in accordance with Sch. 18 para. 23 of the amending Act) by Finance Act 2013 (c. 29), **Sch. 18 paras. 4(3)(a), 22**; S.I. 2013/1817, art. 2(2); S.I. 2014/1962, art. 2(3)
- F31** Sch. 18 para. 52(5)(ai) inserted (with effect in accordance with Sch. 4 para. 17 of the amending Act) by Finance Act 2014 (c. 26), **Sch. 4 paras. 5(3)(a), 16**; S.I. 2014/2228, art. 2
- F32** Sch. 18 para. 52(5)(aj) inserted (with effect in accordance with Sch. 8 para. 17(1)(a) of the amending Act) by Finance Act 2016 (c. 24), **Sch. 8 para. 5(3)(a)**
- F33** Sch. 18 para. 52(5)(ak) inserted (for specified purposes and with effect in accordance with Sch. 6 paras. 20, 21(1)(b) of the amending Act) by Finance (No. 2) Act 2017 (c. 32), **Sch. 6 para. 5(3)(a)**
- F34** Words in Sch. 18 para. 52(5) inserted (28.7.2000 with effect as mentioned in s. 69(1) of the amending Act) by 2000 c. 17, s. 69(2), **Sch. 21 para. 3(c)**
- F35** Word in Sch. 18 para. 52(5) inserted (with effect in accordance with Sch. 15 para. 27 of the amending Act) by Finance Act 2013 (c. 29), **Sch. 15 para. 6(3)(b)**
- F36** Word in Sch. 18 para. 52(2)(c) inserted (11.5.2001 with effect as mentioned in s. 70 of the amending Act) by 2001 c. 9, s. 70, **Sch. 23 para. 5(d)**
- F37** Word in Sch. 18 para. 52(5) repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 454(6)(c)(ii), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

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

- F38** Word in Sch. 18 para. 52(5) inserted (1.1.2007) by Finance Act 2006 (c. 25), s. 53(1), **Sch. 5 para. 28(c)**; S.I. 2006/3399, art. 2
- F39** Words in Sch. 18 para. 52(5) inserted (with effect in accordance with Sch. 18 para. 23 of the amending Act) by Finance Act 2013 (c. 29), **Sch. 18 paras. 4(3)(b)**, 22; S.I. 2013/1817, art. 2(2); S.I. 2014/1962, art. 2(3)
- F40** Words in Sch. 18 para. 52(5) inserted (with effect in accordance with Sch. 4 para. 17 of the amending Act) by Finance Act 2014 (c. 26), **Sch. 4 paras. 5(3)(b)**, 16; S.I. 2014/2228, art. 2
- F41** Word in Sch. 18 para. 52(5) inserted (with effect in accordance with Sch. 8 para. 17(1)(a) of the amending Act) by Finance Act 2016 (c. 24), **Sch. 8 para. 5(3)(b)**
- F42** Word in Sch. 18 para. 52(5) inserted (for specified purposes and with effect in accordance with Sch. 6 paras. 20, 21(1)(b) of the amending Act) by Finance (No. 2) Act 2017 (c. 32), **Sch. 6 para. 5(3)(b)**

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

- C4** Sch. 18 para. 52 extended (6.7.2021) by The Corporation Tax (Carry Back of Losses: Temporary Extension) Regulations 2021 (S.I. 2021/704), regs. 1, **14(2)**

**Marginal Citations**

- M1** 1970 c. 9.

*Time limit for recovery of excessive repayments, etc.*

- 53 (1) An assessment made by virtue of paragraph 52 is not out of time under paragraph 46(1) (general [<sup>F43</sup>4 year] time limit for assessments) if it is made—
- (a) before the end of the accounting period following that in which the amount assessed was paid, or
- (b) if later, before the end of the period of three months beginning with the day on which [<sup>F44</sup>an officer of Revenue and Customs][<sup>F45</sup>completes] an enquiry into a relevant company tax return by the company concerned.
- (2) Sub-paragraph (1) above is without prejudice to [<sup>F46</sup>paragraph 46(2) and (2A) (time limit for assessment in case of loss of tax brought about carelessly or deliberately)].

**Textual Amendments**

- F43** Words in Sch. 18 para. 53(1) substituted (1.4.2010) by Finance Act 2008 (c. 9), s. 118(2), **Sch. 39 para. 44(2)**; S.I. 2009/403, art. 2(2) (with art. 10)
- F44** 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)
- F45** 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(e)**; S.I. 2005/1126, art. 2(2)(h)
- F46** Words in Sch. 18 para. 53(2) substituted (1.4.2010) by Finance Act 2008 (c. 9), s. 118(2), **Sch. 39 para. 44(3)**; S.I. 2009/403, art. 2(2) (with art. 10)

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1998, Part VI.