
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2020, Paragraph 11. (See end of Document for details)

SCHEDULES

SCHEDULE 16

TAXATION OF CORONAVIRUS SUPPORT PAYMENTS

Calculation of tax liability: companies chargeable to corporation tax

- 11 (1) This paragraph applies where a person liable to income tax charged under paragraph 8 is a company that is chargeable to corporation tax, or to any amount chargeable as if it was corporation tax, in relation to a period within which the income tax became chargeable.
- (2) Part 5A of TMA 1970 (payment of tax) applies in relation to that company as if—
- (a) the reference to “corporation tax” in subsection (1) of section 59D (general rule as to when corporation tax is due and payable) included income tax charged under paragraph 8 of this Schedule;
 - (b) an amount of income tax charged under paragraph 8 of this Schedule were an amount within subsection (6) of section 59F (arrangements for paying tax on behalf of group members);
 - (c) any reference in section 59G (managed payment plans) to “corporation tax” included income tax charged under paragraph 8 of this Schedule.
- (3) Part 9 of that Act (interest on overdue tax) applies in relation to that company as if—
- (a) the references in section 86 (interest on overdue income tax and capital gains tax) to “income tax” did not include income tax charged under paragraph 8 of this Schedule;
 - (b) in subsection (1) of section 87A (interest on overdue corporation tax) the reference to “corporation tax” included income tax charged under paragraph 8 of this Schedule.
- (4) Schedule 18 to FA 1998 (company tax returns etc.) applies in relation to that company as if—
- (a) any reference in that Schedule to “tax”, other than the references in paragraph 2 of that Schedule (duty to give notice of chargeability), included income tax charged under paragraph 8 of this Schedule, and
 - (b) in paragraph 8(1) of that Schedule (calculation of tax payable), at the end there were inserted— “*Sixth step* Add any amount of income tax chargeable under paragraph 8 of Schedule 16 to the Finance Act 2020.”
- (5) But the modifications of that Schedule are to be ignored for the purposes of the Corporation Tax (Instalment Payments) Regulations 1998 (S.I. 1998/3175).
- (6) Schedule 41 to FA 2008 applies in relation to that company as if —
- (a) the references to “income tax” in paragraph 7(2) did not include income tax charged under paragraph 8 of this Schedule;
 - (b) the reference to “corporation tax” in paragraph 7(3) included income tax charged under paragraph 8 of this Schedule;

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(but see paragraph 13(5) of this Schedule which has the effect that paragraph 7 of that Schedule does not apply in certain circumstances).

- (7) For the purposes of paragraph 7(3) of Schedule 41 to FA 2008 (as modified by subparagraph (6)), a relevant obligation relating to income tax charged under paragraph 8 of this Schedule relates to an accounting period if the income tax became chargeable in that period.

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