



**HM Revenue
& Customs**



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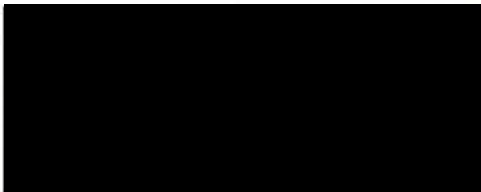
Phone 0114 2969 366
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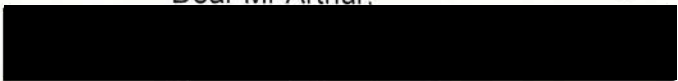
Email Mark.Dootson@hmrc.gsi.gov.uk

www.hmrc.gov.uk

Date
Our ref
Your ref



Dear Mr Arthur,



Managed Service Company legislation

Some time ago I wrote to you enclosing my computation of the additional tax and NIC due because of my decision that the Managed service Company legislation applied to. The computations also included details of the amount of corporation tax overpaid as a result of the decision.

You may wish to set the corporation tax overpaid against the tax and NIC due. You can do this by amending the relevant return or if it is too late, make a claim for overpayments relief under Para 51 Schedule 18 Finance Act 1998. In either case an amendment or a claim must be made in writing and within the specified time limits.

Amending the company return

The amendment is made under Para 15 Schedule 18 Finance Act 1998. The amendment must be notified within 12 months of the filing date as set out in Para 15 (4) Schedule 18 Finance Act 1998.

The notification should set out the amount of deemed payment that has been agreed and therefore the amount by which the company profit should be reduced.

If the time limit for amendment has passed as it will have for the company accounting period ended to 31/01/10 then you may wish consider a claim for overpayments relief.

Claiming overpayments relief

The claim should state that it is for overpayments relief under Paragraph 51 Schedule 18 FA 1998 (corporation tax)

Information is available in large print, audio and Braille formats.
Text Relay service prefix number – 18001



It should state that the grounds for the claim are that distributions made to the director have been deemed to be subject to PAYE and NIC and are available as a deduction against corporation tax.

The claim should include a declaration that the particulars given in the claim are correct and complete to the best of the knowledge and belief of the claimant. It should be signed by (the director)

The claim must be made within four years of the end of the relevant company accounting period as set out in Para 51B Schedule 18 Finance Act 1998.

The claim should include the company accounting periods ending 31/01/09 and 31/1/10, the set offs can be made by this office.

In order to set the corporation tax against the income tax and NIC due I will need an amendment or claim made within the specified time limits. In the absence of a claim HMRC will seek payment of the full amount of income tax and NIC due on the Regulation 80 determinations and S 8 assessment

Yours sincerely

A large black rectangular redaction box covering the signature of the HM Inspector of Taxes.

HM Inspector of Taxes