



Dear Sir or Madam

Differences in the loss position of Company Tax Returns

We're writing to you about your Company Tax [\[Return or Returns from data file\]](#) for the accounting [\[period or periods from data file\]](#) ending [\[account period end date/s from data file\]](#).

We've found inconsistencies in some Company Tax Returns where the loss amounts reported in the CT600 form are different to the accompanying tax computations.

When the Corporation Tax loss reform rules were introduced on 1 April 2017, the treatment of brought-forward losses changed. In some instances, we've found that one or more boxes on the CT600 form have included brought-forward amounts. This isn't in line with Corporation Tax loss reform rules.

In the CT600 form, the boxes which could be affected are:

- 805 and/or 810 UK property business losses: Section 102 Corporation Tax Act 2010
- 830 and/or 835 non-trading losses on intangible fixed assets: Section 104 Corporation Tax Act 2010
- 850 and/or 855 management expenses: Section 103 Corporation Tax Act 2010

What we're doing

We'll use the tax computations in your return for the accounting [\[period or periods from data file\]](#) listed above as the accurate loss amount of the company for [\[that period or those periods from data file\]](#). This means we won't be using the CT600 boxes shown above.

If you're happy for us to do this, you don't need to contact us.

What you need to do if you disagree

Please send us an email to cpcteam@hmrc.gov.uk including the casflow reference at the top of this letter in the subject line of the email.

Your email message should explain why you believe the CT600 entries are correct.

Please do this by [\[SEES to enter 60 days from date issue\]](#).

Submitting future Company Tax Returns

We need to allow software providers time to update their product.

In the meantime, please don't include brought-forward amounts in the CT600 boxes above. If you can't overwrite these entries, you'll need to include a free format note in the tax computations.

If inconsistencies do arise, we'll use the tax computations as the accurate loss amount of the company.

For further information about Company Tax Returns

Go to www.gov.uk/guidance/the-company-tax-return-guide

If you have a tax adviser, you may want to show them this letter.

Yours faithfully

MSB Upstream Team



Corresponding with HMRC by email

Use the following information to decide whether you want to deal with us by email. We take the security of personal information very seriously. Email is not secure, so it's very important that you understand the risks before you email us. We will not deal with you by email unless you tell us you accept the risks of doing so.

About the risks

The main risks associated with using email that concern HMRC are:

- confidentiality and privacy – there's a risk that emails sent over the internet may be intercepted
- confirming your identity – it's crucial that we only communicate with established contacts at their correct email addresses
- there's no guarantee that an email received over an insecure network, like the internet, has not been altered during transit
- attachments could contain a virus or malicious code

How we can reduce the risks

We'll desensitise information, for example by only quoting part of any unique reference numbers. We can also use encryption. We're happy to discuss how you may do the same but still give the information we need.

If you do not want to use email

You may prefer that we do not respond by email, for example because other people have access to your email account. If so, we're happy to respond by another method. We'll agree this with you either by telephone or in writing via post.

If you do want to use email

If you would like to use email as one of the ways HMRC will contact you, we'll need you to confirm in writing by post or email:

- that you understand and accept the risks of using email
- that you're content for financial information to be sent by email
- that attachments can be used

If you are the authorised agent or representative, we'll need you to confirm in writing by post or email that your client understands and accepts the risks.

Also:

- send us the names and email addresses of all people you would like us to use email with - you, your staff, your representative, your agent, for example
- confirm you have ensured that your junk mail filters are not set to reject and/or automatically delete HMRC emails

How we use your agreement

Your confirmation will be held on file and will apply to future email correspondence. We'll review the agreement at regular intervals to make sure there are no changes.

Opting out

You may opt out of using email at any time by letting us know.

More information

You can find more information on HMRC's privacy policy. Go to www.gov.uk and search 'HMRC Privacy Notice'.